

TELECOM REGULATORY AUTHORITY OF INDIA
NOTIFICATION

New Delhi, the 15th June, 2007

TELECOMMUNICATION CONSUMERS EDUCATION AND PROTECTION
FUND REGULATIONS, 2007 (6 OF 2007)

No. 322/4/2006-QOS (CA). -----In exercise of the powers conferred upon it under section 36 of the Telecom Regulatory Authority of India Act, 1997(24 of 1997), the Telecom Regulatory Authority of India hereby makes the following regulations, namely:-

CHAPTER I
PRELIMINARY

1. Short title and commencement.-- (1) These regulations may be called the Telecommunication Consumers Education and Protection Fund Regulations, 2007.

(2) They shall come into force on their publication in the Official Gazette.

2. Definitions.-- In these regulations, unless the context otherwise requires,--

- (a) “Act” means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);
- (b) “Authority” means the Telecom Regulatory Authority of India established under sub-section (1) of section 3 of the Act;
- (c) “committee” means the committee constituted under regulation 7;
- (d) “consumer” means a consumer of a service provider under the Act and includes a customer and subscriber thereof;

1[****]

1 Del. the words “(e) “Corporation Bank” means the Corporation Bank specified under column 2 of the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 (40 of 1980);” by the Sixth Amendment Regulations, 2024, reg. 2 (w.e.f. 14.06.2024)

- ¹[(ea) “Scheduled bank” means a bank included in the Second Schedule of the Reserve Bank of India Act, 1934,]
- (f) “subscriber” means any person or legal entity, who or which subscribes to a service from the licensee;
- (g) “Telecommunication Consumers Education and Protection Fund” means the fund established by the Authority under regulation 5;
- (h) all other words and expressions used in these regulations but not defined, and defined in the Act and the rules and other regulations made thereunder, shall have the meanings respectively assigned to them in the Act or the rules or other regulations, as the case may be.

CHAPTER II

TELECOMMUNICATION CONSUMERS EDUCATION AND PROTECTION FUND

3. Excess Amount collected by service providers from the subscribers to be transferred to the Telecommunication Consumers Education and Protection Fund in certain cases.---- (1) Without prejudice to any order or direction of the Appellate Tribunal or any court or other tribunal or any other provision of the Act or any other law for the time being in force, every service provider, who has collected from its subscribers any amount ²[* * * *],

³[(i) in excess of the rates of telecommunication service determined under any regulation or order or direction made under the Act, in a case where the rates have been determined and notified under sub-section (2) of section 11 of the Act; or]

⁴[(ii) in excess of the rates announced by the service providers, in a case where the rates have been notified as rates under market forbearance under sub-section (2) of section 11 of the Act; or]

1 Ins. by the Second Amendment Regulations, 2013, reg. 2 (w.e.f. 10.07.2013).

2 Del. the words “in excess of” by the Fifth Amendment Regulations, 2020, reg. 2(a)(i) (w.e.f. 16.01.2020).

3 Subs. by the Fifth Amendment Regulations, 2020, reg. 2(a)(ii) (w.e.f. 16.01.2020) for the following:

“(i) the rates of telecommunication service determined under any regulation or order or direction made under the Act, in a case where the rates have been determined and notified under sub-section (2) of section 11 of the Act; or”

4 Subs. by the Fifth Amendment Regulations 2020, reg. 2(a)(iii) (w.e.f. 16.01.2020) for the following:

“(ii) the rates announced by the service providers, in a case where the rates have been notified as rates under market forbearance under sub-section (2) of section 11 of the Act; or”

¹[(iii)which has become refundable to the consumer,]

which has not been refunded to the concerned subscribers and lying as unclaimed with the service providers, shall---

- (a) In a case where a direction has been made by the Authority under section 13 or any other provisions of the Act, within a period of thirty days, after being so directed, transfer the excess amount so collected to the credit of the Telecommunication Consumers Education and Protection Fund; or
- (b) in case where no direction has been made by the Authority under section 13 or any other provisions of the Act, within a period of thirty days, after expiry of twelve months from the date on which such amount became due for refund (including interest thereon, if any,) or after the expiry of the period of limitation specified under any law for the time being in force for refund of such amount, whichever is later, transfer the excess amount so collected to the credit of the Telecommunication Consumers Education and Protection Fund.

(2) Any amount referred to in ²[* * *] sub-regulation (1) (including interest thereon, if any,) which had not been refunded to the concerned subscribers and lying as unclaimed, before the commencement of these regulations, with the service provider, for a period of twelve months, or more, from the date on which such amount became due for refund to the subscribers, or, after expiry of period of limitation specified under any law for the time being in force, whichever is later, shall, within thirty days after such commencement, be transferred to the credit of the Telecommunication Consumers Education and Protection Fund:

Provided that such service provider shall not transfer such amount to the credit of the Telecommunication Consumers Education and Protection Fund collected, whether before or after the commencement of these regulations, in excess of the rates referred to in ³[* * *] sub-regulation (1), in respect of which,-

- (i) a claim has been filed, under ⁴[the Consumer Protection Act, 2019 (35 of 2019)] or before any court or tribunal, by a subscriber; or

1 Ins. by the Fifth Amendment Regulations, 2020, reg. 2(a)(iv) (w.e.f. 16.01.2020).

2 Del. the words “sub-clauses (i) and (ii) of” by the Fifth Amendment Regulations, 2020, reg. 2(b) (w.e.f. 16.01.2020).

3 Del. the words “sub-clauses (i) or (ii) of” by the Fifth Amendment Regulations, 2020, reg. 2(b) (w.e.f. 16.01.2020).

4 Subs. by the Sixth Amendment Regulations, 2024, reg. 3(a) (w.e.f. 14.06.2024) for the following:

“the Consumer Protection Act, 1986 (68 of 1986)”.

- (ii) an order has been made under ¹[the Consumer Protection Act, 2019 (35 of 2019)] or an order has been made by any court or tribunal,

and such amount shall be refunded to the subscribers in accordance with the order, made under that Act, or, of the court or tribunal, as the case may be.

(3) The service provider shall, while making any transfer of the amount under sub-regulation (1) or sub-regulation (2),----

- (a) keep records of all such particulars relevant and as may be considered necessary by it for transfer of such money in respect of all sums included in such transfer;
- (b) furnish to the Authority, within fifteen days of transfer of such amount, a statement indicating therein the nature of all sums included in such transfer and such other details as may be relevant for transfer of such amount.

4. Procedure for depositing the excess amount collected by service providers from the subscribers in the Consumers Education and Protection Fund.----

(1) Any amount required to be transferred, under these regulations, by the service providers to the credit of the Telecommunication Consumers Education and Protection Fund shall be remitted ²[through Electronic Fund Transfer system viz. NEFT, IMPS, RTGS, in such account of the Scheduled Bank as may be designated by the Authority, within a period of thirty days of such amount becoming due to be credited to the Fund, and the service provider shall, within a period of seven days or as may be specified by the Authority from time to time, furnish to the Authority the transaction details of such remittance.]

³[****]

1 Subs. by the Sixth Amendment Regulations, 2024, reg. 3(b) (w.e.f. 14.06.2024) for the following:

“the Consumer Protection Act, 1986 (68 of 1986)”.

2 Subs. by the Sixth Amendment Regulations, 2024, reg. 4(a) (w.e.f. 14.06.2024) for the following:

“into the branches of the Corporation Bank designated for the purpose by the said bank, within a period of thirty days of such amount becoming due to be credited to the Fund.”.

3 Del. the words “(2) The amount, referred to in sub-regulation (1), shall be tendered by the service providers in the designated branches of the Corporation Bank along with challan in triplicate mentioning therein the head as “Telecommunication Consumer Education and Protection Fund”, and the Corporation Bank shall return two copies duly stamped to the service providers as token of having received the amount referred to in sub- regulation (1)” by the Sixth Amendment Regulations, 2024, reg. 4(b) (w.e.f. 14.06.2024).

1[****]

5. Telecommunication Consumers Education and Protection Fund.--- (1)

There shall be established by the Authority a fund, to be called the "Telecommunication Consumers Education and Protection Fund".

(2) There shall be credited to the corpus of the Telecommunication Consumers Education and Protection Fund,-- ---

- (a) the amount referred to in sub-regulations (1) and (2) of regulation 3;
- (b) any income, by way of interest, on the amount referred to in clause (a), or, from investment of such amount.

(3) The custody, control and management of the Telecommunication Consumers Education and Protection Fund shall be vested in the Authority.

(4) All the amounts referred to in clauses (a) and (b) of sub-regulation (2) credited to the Telecommunication Consumers Education and Protection Fund shall be kept in separate accounts in the ²[Scheduled bank as designated by the Authority].

³[(4A) The Authority may, from time to time, review the rate of interest offered by the ⁴[Scheduled bank] and the amount credited in the accounts referred to in sub-regulation (4) and if upon such review, the Authority finds that a higher rate of interest is being offered by any other scheduled bank, the Authority may withdraw from the Corpus of the said accounts such amount, and deposit, in the said scheduled bank, for such duration, as it may deem fit:

Provided that the income, by way of interest, earned on such deposit shall be deposited in the separate accounts maintained for this purpose].

6. Utilisation of the Telecommunication Consumers Education and Protection Fund.-----(1) All expenditure of the Telecommunication Consumers Education and Protection Fund shall be met out of the incomes referred to in clause (b) of sub-regulation (2) of regulation 5.

1 Del. the words "(3) The service provider shall,---

- (a) fill in the full description and the nature of the amount tendered and its Head of Account in the challan referred to in sub-regulation (2);
- (b) file with the Authority one copy of the challan referred to in sub-regulation (2) evidencing deposit of the amount to the Telecommunication Consumers Education and Protection Fund." by the Sixth Amendment Regulations, 2024, reg. 4(c) (w.e.f. 14.06.2024).

2 Subs. by the Sixth Amendment Regulations, 2024, reg. 5(a) (w.e.f. 14.06.2024) for the following:

"Corporation Bank"

3 Ins. by the Second Amendment Regulations, 2013, reg. 3 (w.e.f. 10.07.2013)

4 Subs. by the Sixth Amendment Regulations, 2024, reg. 5(b) (w.e.f. 14.06.2024) for the following:

"Corporation Bank".

(2) The amount available by way of income referred to in clause (b) of sub-regulation (2) of regulation 5, shall be utilised on the recommendation of the committee after obtaining the approval of the Authority, on the expenditure for the following purposes only, namely:-

- (a) to undertake programmes to educate the consumers of the Telecommunication services about various measures taken by the Central Government or the Authority for protecting the interests of consumers of telecommunication services;
- (b) to conduct studies and market research projects, either directly or through specialized agencies or institutions on matters relating to protection of the interests of consumers of telecommunication services;
- (c) to organize seminars, symposia and workshops on the subject of consumer welfare and consumer education in the field of telecommunication;
- ¹[(d) to pay fee and expenses for the preparation and maintenance of accounts of the Telecommunication Consumer Education and Protection Fund and audit of the accounts of the said fund;
- (e) to pay such expenses as may be incurred under clause (a) of regulation 13:]

Provided that the expenditure during the initial eighteen months beginning from the date of commencement of these regulations may be incurred out of the amount referred to in clause (a) of sub-regulation (2) of regulation 5 for the purposes specified in this sub-regulation and in accordance with the provisions of these regulations:

Provided further that the expenditure referred to in the first proviso shall in no case exceed five percent of the amount referred to in clause (a) of sub-regulation (2) of regulation 5 or rupees fifty lakh, whichever is less.

Provided also that no such expenditure shall be incurred out of the amount referred to in clause (a) of sub-regulation (2) of regulation 5 after the expiry of the period of eighteen months referred to in the first proviso.

²[(3) Subject to the provision of sub-regulation (4A) of regulation 5, the accounts referred to in sub-regulation (4) of regulation 5 shall be operated jointly by the presiding member and the member referred to in clause (e) of the regulation 8.]

1 Ins. by the Sixth Amendment Regulations, reg. 6 (w.e.f. 14.06.2024).

2 Subs. by the Second Amendment Regulations, 2013, reg. 4 (w.e.f. 10.07.2013) for the following:
“(3) The accounts referred to in sub-regulation (4) of regulation 5 shall be operated, jointly by the presiding member and the member referred to in clause (e) of regulation 8.”

¹[Provided that the presiding member may, in consultation with the member referred to in clause (e) of the Regulation 8, by an order, ²[authorise a Joint Advisor or Deputy Advisor in the Division dealing with Consumer Affairs and a Joint Advisor or Deputy Advisor in the Division dealing with Finance and Economic Analysis matters in the Authority] to sign jointly the cheque for release of the amount sanctioned for payment from the accounts referred to in sub-regulation (4) of Regulation 5.]

CHAPTER III
COMMITTEE FOR UTILISATION OF TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND

- 7. Constitution of Committee.**----There shall be constituted a committee for,--
- (a) making recommendations to the Authority for utilisation of the amount for purposes referred to in clauses (a) to (c) of sub-regulation (2) of regulation 6;
 - (b) the utilisation of the amount referred to in sub-regulation (2) of regulation 6 with the approval of Authority;
 - (c) other purposes specified under these regulations.

8. Composition of Committee. ---- The committee shall consist of the following, namely:-

- (a) the Secretary in the Authority --- *ex-officio* presiding member;
- (b) ³[five representatives] to be nominated by Chairperson of the Authority from amongst such voluntary consumer organizations registered with the Authority ----- members;
- (c) two representatives of the service providers to be nominated by the Cellular Operators Association of India being a society registered under the Societies Registration Act, 1860 (21 of 1860) or two representatives to be nominated by such other association of the service providers providing cellular mobile telephone service, as may be approved for the purposes of these regulations by the Authority -----
----- members;

1 Ins. by the Third Amendment Regulations, 2014, reg. 2 (w.e.f. 26.06.2014).

2 Subs. by the Fourth Amendment Regulations, 2018, reg. 2 (w.e.f. 18.07.2018) for the following:
“authorize a Joint Advisor or Deputy Advisor of Consumer Affairs and Quality of Service Division and a Joint Advisor or Deputy Advisor of Finance and Economic Analysis Division.”

3 Subs. by the First Amendment Regulations, 2011, reg. 2(a) (w.e.f. 07.03.2011) for the following:
“two representatives”

1[* * *]

2[(da) one representative of Internet and Broadband service providers to be nominated by Internet Service Providers Associations of India (ISPAI), being a registered society registered under the Societies Registration Act, 1860 (21 of 1860) or one representative to be nominated by such other association of Internet and Broadband service providers, providing Internet and Broadband services, as may be approved for the purposes of these regulations by the Authority ----- member.]

(e) Principal Advisor or the Advisor, being in charge of ³[the Finance and Economic Analysis Division], in the Authority, -----*ex officio* member;

4[* * * *]

5[* * * *]

1 Del. the words “(d) two representatives of the service providers to be nominated by the Association of Unified Telecom Service Providers of India, being a society registered under the Societies Registration Act, 1860 (21 of 1860) or two representatives to be nominated by such other association of the service providers providing unified access services, as may be approved for the purposes of these regulations by the Authority ----- members;” by the Fourth Amendment Regulations, 2018, reg. 3 (a) (w.e.f. 18.07.2018)

2 Ins. by the First Amendment Regulations, 2011, reg. 2(b) (w.e.f. 07.03.2011)

3 Subs. by the Second Amendment Regulations, 2013, reg. 5(a) (w.e.f. 10.07.2013) for the following:

“the Finance and Accounts Division.”

4 Del. the words “(f) Principal Advisor or the Advisor, ⁶[being in-charge of the Economic Regulation Division,] in the Authority-----*ex officio member*” by the Second Amendment Regulations, 2013, reg. 5(b) (w.e.f. 10.07.2013)

5 Del. the words “(g) Principal Advisor or the Advisor, ⁷[being in-charge of regulatory enforcement], in the Authority -----*ex officio member*” by the Second Amendment Regulations, 2013, reg. 5(b) (w.e.f. 10.07.2013)

6 Subs. by the First Amendment Regulations, 2011, reg. 2(c) (w.e.f. 07.03.2011) for the following: “being in-charge of the Economic Division”

7 Subs. by the First Amendment Regulations, 2011, reg. 2(d) (w.e.f. 07.03.2011) for the following: “being in-charge of the Regulatory Enforcement Division”

¹²[(h) Principal Advisor dealing with Consumer Affairs in the Authority-----
-----*ex officio* member;]]

³⁴[(i) Advisor dealing with Consumer Affairs in the Authority ----- *ex officio convener* member]]

9. Term of Office of the Committee.---- (1) The term of office of every member in the committee, other than those referred to in ⁵[clauses (a), (e), (h) and (i)] of regulation 8, shall be one year but such member shall be eligible for re-nomination by the Chairperson of the Authority, the Cellular Operators Association of India ⁶[* * *] and other associations, as the case may be.

(2) Any vacancy arising on account of resignation, retirement, death of a member or for any other reason, shall be filled by the Authority or the respective association, as the case may be, for the remaining period of the term of such member.

10. Functions of the Committee.----- (1) The committee shall prepare annual budget estimates of the income referred to in clause (b) of sub-regulation (2) of regulation 5 and the budget estimates of expenditure for utilisation of the amount referred to in regulation 6 along with the details of the programme, studies and market research projects, seminars, symposia and workshops and submit the same ⁷[at the] beginning of each financial year for approval of the Authority:

1 Subs. by the Fourth Amendment Regulations, 2018, reg. 3(b) (w.e.f. 18.07.2018) for the following:

“(h) Principal Advisor, being in charge of the Consumer Affairs and Quality of Service Division in the Authority----- *ex officio* member;”

2 Subs. by the Second Amendment Regulations, 2013, reg. 5(c) (w.e.f. 10.07.2013) for the following:

“(h) Principal Advisor or the Advisor, ⁸[being in-charge of the consumer affairs,] in the Authority----- *ex officio* member;”

3 Ins. by the Second Amendment Regulations, 2013, reg. 5(d) (w.e.f. 10.07.2013)

4 Subs. by the Fourth Amendment Regulations, 2018, reg. 3(c) (w.e.f. 18.07.2018) for the following:

“(i) Advisor, Consumer Affairs and Quality of Service Division in the Authority-----
ex officio convener member.”

5 Subs. by the Second Amendment Regulations, 2013, reg. 6 (w.e.f. 10.07.2013) for the following:
“clauses (a), (e), (f), (g) and (h)”

6 Del. the words “the Association of Unified Telecom Service Providers of India” by the Fourth Amendment Regulations, 2018, reg. 4 (w.e.f. 18.07.2018).

7 Subs. by the Fourth Amendment Regulations, 2018, reg. 5 (w.e.f. 18.07.2018) for the following:
“two months before;”

8 Subs. by the First Amendment Regulations, 2011, reg. 2(e) (w.e.f. 07.03.2011) for the following:
“being in-charge of the Quality of Service Division.”

(2) The committee shall incur such expenditure on any of the purposes mentioned in clauses (a) to (c) of sub-regulation (2) of regulation 6 which has been included in the budget estimates referred to in sub-regulation (1) and sanctioned under sub-regulation (4) by the Authority.

(3) Every expenditure referred to in sub-regulation (2) shall be incurred after having passed a resolution for incurring such expenditure in the meeting of the committee.

(4) Every resolution referred to in sub-regulation (3) shall, mention the maximum amount of expenditure to be incurred and the purpose for such expenditure, and, such resolutions shall be submitted before the Authority for sanctioning of such expenditure.

(5) A copy of the summary of the programmes referred to in clause (a), studies and market research projects referred to in clause (b) and seminars, symposia and workshops referred to in clause (c), of sub-regulation (2) of regulation 6, shall be provided to the Authority within thirty days of the conclusion of the programmes, market research projects and seminars, symposia and workshops, as the case maybe.

11. Meetings and Quorum.----- (1) The meetings of the Committee shall be held at Delhi.

(2) Notice of not less than fifteen days in respect of a meeting of the committee shall be given to every member of the committee:

Provided that when the presiding member of the committee calls for a meeting for consideration of any matter which in his opinion is urgent, a notice shorter than fifteen days but not less than three days shall be deemed to be sufficient notice for purpose of this regulation.

(3) The presiding member of the committee shall preside over the meeting of the committee and in his absence, the convener of the committee shall preside over the said meeting and shall have all the powers of the presiding member of the committee at such meeting.

(4) No business shall be transacted at a meeting unless majority of the members are present of which at least one member shall be a representative of a consumer organization referred to in clause (b) of regulation 8.

(5) Every issue considered at a meeting of the committee shall be decided by a majority of votes of members present and voting and in the event of equality of votes on any issue or resolution, the presiding member of the committee shall, in addition, have a casting vote.

- (6) No act or proceeding of the committee shall be invalid merely by reason of—
- (a) any vacancy in, or any defect in the constitution of, the committee; or
 - (b) any defect in the appointment of a person acting as member or convener of the committee; or
 - (c) any irregularity in the procedure of the committee not affecting the merits of the case.

12. Minutes of the meeting. ----- (1) The minutes of every meeting of the committee shall be kept by the convener member of the committee.

(2) The minutes of all proceedings of every meeting of the committee shall be kept by making at the conclusion of every such meeting, the entries thereof in books kept for that purpose with their pages consecutively numbered and each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed.

(3) The minutes of each meeting of the committee shall contain a fair and correct summary of the proceedings thereof.

(4) All the decisions of the committee shall be authenticated by the signature of the convener of the committee.

(5) The minutes of each meeting of the committee constituted under regulation 7 shall be placed before the Authority within a period of fifteen days from the date of such meeting.

13. Expenses of the Committee.----- The expenses (including traveling allowance and all other allowances) of the members of the committee for attending the meetings of the committee shall be ¹[****]-----

²[(a) met out of the incomes referred to in clause (b) of sub-regulation (2) of regulation 5 with the approval of the Authority, in respect of the ⁵[five] representatives nominated by the Chairperson of the Authority under clause (b) of regulation 8 from amongst the voluntary consumer organisations registered with the Authority;]

1 Del. the words “borne by” by the Sixth Amendment Regulations, 2024, reg. 7(a) (w.e.f. 14.06.2024)

2 Subs. by the Sixth Amendment Regulations, 2024, reg. 7(b) (w.e.f. 14.06.2024) for the following:

“the Authority, in respect of the ³[five] representatives nominated by the chairperson of the Authority under clause (b) of regulation 8 from amongst such voluntary consumer organizations registered with the Authority;”

3 Subs. by the Fourth Amendment Regulations, 2018, reg. 6(a) (w.e.f. 18.07.2018) for the following:

“two”

¹[(b) ²[borne by] the Cellular Operators Association of India, the Internet Service Providers Association of India and such other association of the service providers in respect of members nominated by them under clauses (c) and (da) of regulation 8.]

CHAPTER IV
ACCOUNTS AND AUDIT OF TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND

14. Maintenance of accounts.---- (1) The committee shall maintain proper and separate accounts and other relevant records in relation to the Telecommunication Consumers Education and Protection Fund giving therein the details of all receipts in, and, expenditure from, such Fund and other relevant particulars.

(2) The accounts referred to in sub-regulation (1) shall be prepared and got audited before the expiry of six months from the end of each financial year.

(3) The committee shall submit to the Authority the accounts referred to in sub-regulation (1) duly audited under regulation 15 and signed by all the members of the committee.

15. Audit of Accounts and their publication.----- (1)The accounts of the Telecommunication Consumers Education and Protection Fund shall be audited by auditors who may be appointed by the Authority for the term of one year and ³[such auditors shall be eligible for re-appointment for a further period not exceeding two years].

(2) No person shall be eligible to be appointed as an auditor under sub-regulation (1) unless he is a chartered accountant as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949) and who has obtained a certificate of practice under sub-section (1) of section 6 of that Act.

(3) The accounts of the Telecommunication Consumers Education and Protection Fund shall, after the completion of the audit under sub-regulation (1) and submission thereof to the Authority under sub-regulation (3) of regulation 14, be published on the website of the Authority for information of the general public.

1 Subs. by the Fourth Amendment Regulations, 2018, reg. 6(b) (w.e.f. 18.07.2018) for the following:

“(b) the Cellular Operators Association of India, the Association of Unified Telecom Service Providers of India and such other association of the service providers in respect of members nominated by them under clauses (c) and (d) of regulation 8.”

2 Ins. by the Sixth Amendment Regulations, reg. 7(c) (w.e.f. 14.06.2024)

3 Subs. by the Second Amendment Regulations, 2013, reg. 7 (w.e.f. 10.07.2013) for the following:
“such auditors shall be eligible for re-appointment”

CHAPTER V MISCELLANEOUS

16. Payment of money for making refund to subscribers.-- (1) Any person, becoming entitled to refund of any amount as referred to in regulation 3 in pursuance of an order made by a Consumer Forum under ¹[the Consumer Protection Act, 2019 (35 of 2019)] or by any court or tribunal, subsequent to the transfer of such amount to the Telecommunication Consumers Education and Protection Fund shall be paid such amount by the concerned service provider in accordance with the order made by the Consumer Forum or the court or tribunal, as the case may be, and such service provider may apply to the Authority for reimbursement of such amount.

(2) The reimbursement of the amount referred to in sub-regulation (1) shall, on the recommendation of the committee, be made to the service provider after the approval of the Authority.

17. Power of Authority to issue directions for utilisation of the Telecommunication Consumers Education and Protection Fund.—(1) Without prejudice to any of the provisions of the Act, or any other regulations made under the Act or directions issued there-under, the Authority may, from time to time, issue to the committee such directions as it may think necessary to protect the interests of consumers of the telecom sector.

(2) Without prejudice to the foregoing provisions, the committee shall in the performance of its functions under regulation 10, be bound by such directions on questions of policy in respect of matters for utilisation of the Telecommunication Consumers Education and Protection Fund as the Authority may give to it from time to time and the committee shall comply with such directions.

(R.K. Arnold)
Secretary

Note. -----The Explanatory Memorandum explains the objects and reasons of the Telecommunication Consumers Education and Protection Fund Regulations, 2007 (6 of 2007).

¹ Subs. by the Sixth Amendment Regulations, 2024, reg. 8 (w.e.f. 14.06.2024) for the following: “the Consumer Protection Act, 1986 (68 of 1986)”

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**EXPLANATORY MEMORANDUM TO THE TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND REGULATIONS, 2007
(6 OF 2007)**

The Telecom Regulatory Authority of India Act, 1997 (hereinafter referred to as the Act) has been enacted for the establishment of Telecom Regulatory Authority of India (hereinafter referred to as the TRAI) and, *inter alia*, to protect the interests of service providers and consumers of the telecom sector, to promote and ensure orderly growth of the telecom sector and for matters connected therewith or incidental thereto.

2. The TRAI has been conferred powers to make regulations under section 36 of the Act. Sub-section (1) of section 36 of the Act provides that the Authority may, by notification, make regulations consistent with this Act and the rules made there under to carry out the purposes of this Act and one of the purposes of the Act being to protect the interests of consumers of the telecom sector and to promote orderly growth of telecom sector. The regulations so made under the Act are laid before each House of Parliament.

3. In pursuance of the orders notifying rates of telecommunication services, made, and Directions of the Authority issued, under the Act, a consumer may become entitled to refund of certain amount being excess paid by him to the service provider. The issue is that where the amount in excess of the rates of the telecom services determined under any regulation or order or direction made under the Act or the amount in excess of the rates of telecom services determined (under market forbearance) by the service provider becomes due to the consumers who are numerous, the service provider may find it difficult, in certain cases, to refund to the consumers such excess amount so charged. In such cases, it would not be appropriate to allow the service providers to retain such excess amount charged from consumers as it may amount to unjust or undue enrichment of such service providers.

4. It is therefore appropriate for Authority to make regulations to carry out the purposes of the Act that is to prevent the unjust or undue enrichment of such service providers referred to in the preceding paragraph and endeavor to utilize the excess amount charged from consumers for their education and protection when such amount cannot be refunded to the concerned consumers and thus lying with the service providers even after the expiry of limitation period under the law for the time being in force.

5. The Authority have a duty to protect interest of the consumers of the telecom sector and the duty appears to take within its fold a duty to specify the manner of utilization of all such excess charged moneys, which belong to

consumers of the telecommunication sector but could not be refunded to the concerned consumers and are lying unrefunded and unclaimed with the service providers, for purposes of telecommunication consumers' education and protection of their interest. The mechanism for pooling such moneys and canalizing of utilization of such moneys upon activities aimed at consumer education and protection has been worked out under the provisions of the Telecommunication Consumers Education and Protection Fund Regulations, 2007.

6. As of now, refunds were due to a large number of consumers of different service providers under various Directions or Orders issued by the Authority from time to time, but a significant amount of these excess moneys charged could not be refunded to the consumers for different reasons (non-traceability of the consumer, etc.) by the concerned service providers and accordingly, such sums of moneys are lying with the service providers in separately earmarked accounts on the initiative of the Authority. Some such money, which could not be refunded to the consumers of telecommunication sector, has been deposited with the Authority by one of such service providers and the same is also lying in a separate account with the Authority. The retention of such excess charged moneys, which actually belong to the consumers, by the service providers would amount to undue or unjust enrichment and, therefore, these moneys are required to be ploughed by an institutionalised mechanism and utilising such moneys for activities aimed at promotion of telecommunication consumer's education and protection.

7. Since the matter, for utilization of excess moneys charged from the consumers which could not be refunded to them even after expiry of the period of limitation specified under the law for the time being in force, had been under consideration for quite some time and the Authority held a meeting with the Cellular Mobile Operators on the 17th April, 2006 regarding utilization of such amount lying with them. The view that emerged in the meeting was that the utilisation of the amount should be for the consumer awareness/protection.

8. With the object of utilizing the moneys which could not be refunded to the consumers and lying with the service providers as unclaimed, the Authority has now decided to establish the Telecommunication Consumers Education and Protection Fund and provide therein the mechanism to utilise such moneys for the consumers' education and their protection. The Telecommunication Consumers Education and Protection Fund Regulations, 2007, *inter alia*, provide that,---

(a) the amount in respect of which (i) a claim has been filed, under the Consumer Protection Act, 1986 (68 of 1986) or before any court or tribunal, by

a subscriber; or (ii) an order has been made under the Consumer Protection Act, 1986 or by any court or tribunal, shall not be transferred to the Telecommunication Consumers Education and Protection Fund;

(b) only the income from such amount credited to the corpus of the Telecommunication Consumers Education and Protection Fund---

(i) which has been charged in excess of the rates of telecom services from consumers and could not be refunded to the concerned consumers;

(ii) in respect of which the period of limitation under the law for the time being in force has expired; and

(iii) which continues to be with the service providers,

shall be utilised for consumers education and protection, with the single exception that an amount not exceeding five per cent of the initial corpus of the Telecommunication Consumers Education and Protection Fund or rupees fifty lakhs, whichever is less, may be used during the initial period of eighteen months from the date on which these regulations come into force, because the generation of income by way of interest may take some time and, in the mean time it may not be possible to undertake any activity / scheme for telecommunication consumers' education and protection without adequate funds;

(c) only the amounts collected from consumers in excess of the rate of telecommunication services which could not be refunded to concerned consumers and thus lying unclaimed with the service providers, shall be transferred to the Telecommunication Consumers Education and Protection Fund by the service providers.

(d) any person, becoming entitled to refund of any amount in pursuance of an order made by a Consumer Forum under the Consumer Protection Act, 1986 or by any court or tribunal, subsequent to the transfer of such amount to the Telecommunication Consumers Education and Protection Fund shall be paid such amount by the service provider in accordance with the order made under that Act or the court or tribunal, as the case may be, and the service provider may apply to the Authority for reimbursement of such amount;

(e) all expenditure from the Telecommunication Consumers Education and Protection Fund shall be incurred with the approval of the Authority on the recommendations of the committee constituted under these regulations which, inter alia, consist of the representatives of the service providers and the consumers' organizations so as to ensure transparency;

(f) the accounts of the Telecommunication Consumers Education and Protection Fund shall be audited by the qualified chartered accountant appointed by the Authority;

(g) the audited statement of accounts of the Telecommunication Consumers Education and Protection Fund shall be exhibited on the website of the Authority for information of the general public;

9. The Authority hopes that the measures for the consumers' education and their protection as envisaged in the Telecommunication Consumers Education and Protection Fund Regulations, 2007 would,---

- (i) create awareness among the telecommunication consumers in different parts of India in respect of their rights;
- (ii) eventually reduce the amount which may remain unclaimed in future by such consumers;
- (iii) educate them regarding latest development in the telecommunication sector and telecom laws and steps taken by the Authority and Central Government to protect and promote the interests of the telecommunication consumers; and
- (iv) also prevent the avoidable events of excess charging of rates by the service providers at times which is often unintentional due to fast changes taking place in the telecommunication sector and other reasons.

**EXPLANATORY MEMORANDUM TO THE TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND (FIRST AMENDMENT)
REGULATIONS, 2011**

Background:

The Telecom Regulatory Authority of India had notified the Telecommunication consumers Education and Protection Fund Regulations, 2007 (6 of 2007) on 15th June, 2007. In terms of the Regulations, a fund called 'Telecommunication Consumers Education and Protection Fund' has been created. The income from the Fund is utilised to undertake programmes to educate consumers of the telecommunications services on the recommendation of a committee.

2. The committee for Utilization of Telecommunication Education and Protection Fund (CUTCEF) consists of officers from TRAI, two representatives nominated by the Chairperson of TRAI from amongst voluntary consumers organizations registered with TRAI, two representatives of Cellular Operators Association of India (COAI) and two representatives of the Association of Unified Telecom Service Providers of India (AUSPI).

3. Since the income from the Fund is utilized on various consumer centric activities such as consumer education programmes about various measures taken by the Telecom Regulatory Authority of India for protecting the interest of consumers of telecommunication services, to organize seminars, workshops etc., on the subject of consumer welfare and consumer education in the field of Telecommunication, it is considered expedient to give equal representation to the CAGs in the Committee by nominating one representative each from the 5 regions of North, South, West, East and North-East. The amendment will facilitate re-constitution of CUTCEF with five representatives from voluntary consumer organizations registered with TRAI.

4. Penetration of Broadband is likely to be increased and broadband would play a much wider role in the upcoming telecom scenario. It would, therefore, be necessary to give adequate representation in the CUTCEF to the service providers providing Internet and Broadband services. Accordingly, it has been decided to include one representative of Internet Service providers Association of India (ISPAAI) or any other association providing Internet and Broadband services in the country in the committee.

5. Earlier the work relating to consumer affairs was looked after by Advisor in-charge of Quality of Service. Now, a separate division has been created for handling consumer affairs. The names of some other divisions have also undergone changes. The other amendments are necessitated on account of restructuring of the secretariat of the Authority.

**EXPLANATORY MEMORANDUM TO THE TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND (SECOND
AMENDMENT) REGULATIONS, 2013**

Background:

1. The Telecom Regulatory Authority of India had notified the Telecommunication Consumers Education and Protection Fund Regulations, 2007 (6 of 2007) on 15th June 2007. In terms of the Regulations, a fund called 'Telecommunication Consumers Education and Protection Fund' has been created. The income from the Fund is utilized to undertake programmes to educate consumers of the telecommunication services on the recommendation of a committee.
2. The Committee for Utilization of Telecommunication Education and Protection Fund (CUTCEF) consists of officers from TRAI, two representatives nominated by the chairperson of TRAI from amongst voluntary consumers organizations registered with TRAI, two representatives of Cellular Operators Association of India (COAI) and two representatives of the Association of Unified Telecom Service providers of India (AUSPI) and one representative from Internet & Broadband service Providers of the Internet Service Providers Associations of India (ISPAI).
3. Presently, the amount being received in the Telecommunication Education and Protection Fund account is maintained in Corporation Bank. Out of this fund a large portion of the amount is kept in Fixed Deposits in Corporation Bank only. However, in the present scenario it is being seen that different banks are offering different rates of interest and there are instances when other banks offered higher rate of interest in comparison to Corporation Bank. Therefore, the amendment will propose facilitation of fixed deposits in other scheduled banks.
4. Due to restructuring of divisions in TRAI, the members of the CUTCEF representing TRAI have been suitably amended. The current regulation does not stipulate any specific period for re-appointment of the auditor. Therefore the Authority decided to specify the period for re-appointment of the auditor. A maximum period for appointment of the auditor for auditing the TCEPF has been fixed as three years in the amendment.

**EXPLANATORY MEMORANDUM TO THE TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND (THIRD AMENDMENT)
REGULATIONS, 2014**

Background:

1. The Telecom Regulatory Authority of India had notified the Telecommunication Consumers Education and Protection Fund Regulations, 2007 (6 of 2007) on 15th June, 2007. In terms of the Regulations, a fund called ‘telecommunication Consumers Education and Protection fund’ had been created. The income from the Fund is utilized to undertake programmes for educating consumers of telecommunication services on the recommendation of the Committee for Utilization of Telecommunication Consumers Education and Protection Fund (CUTCEF).

2. Presently, the accounts referred to in sub-regulation (4) of Regulation 5 are operated, jointly by the presiding member i.e. Secretary, TRAI and the member referred to in clause (e) of Regulation 8 i.e. Principal Advisor/Advisor of the Finance and Economic Analysis Division. This regulation is amended to allow the above members to authorize operation of the accounts by Joint or Deputy Advisor of the Consumer Affairs & Quality of Services Division and Joint of Deputy Advisor of the Finance and Economic Analysis Division.

**EXPLANATORY MEMORANDUM TO THE TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND (FOURTH
AMENDMENT) REGULATIONS, 2018**

The Telecom Regulatory Authority of India had notified the Telecommunication Consumers Education and Protection Fund Regulations, 2007 [(6 of 2007) hereinafter referred to the principal regulations] on 15th June 2007. In terms of the principal regulations, a fund called “Telecommunication Consumers Education and Protection Fund” (TCEPF) has been created. The income from the Fund is utilized to undertake programmes and activities relating to consumer education and protection as are approved by the Authority following the recommendation of the Committee for Utilization of Telecommunication Consumers Education and Protection Fund (CUTCEF).

2. The current CUTCEF composition includes five members from service providers’ associations viz. two each from Cellular Operators Associations of India (COAI) and Association of Unified Telecom Service Providers of India (AUSPI) and one from Internet & Broadband Service Providers of India (ISPAI). However, the AUSPI has now ceased to exist. The name of AUSPI is, therefore, required to be deleted from the CUTCEF composition. The constitution of CUTCEF is accordingly being amended through this amendment.

3. The Committee reviews income & expenditure alongwith various activities carried out of TCEP Fund in a financial year (FY) while finalizing the budget estimates for the next FY in its annual meeting. However, the details of income accrued and expenditure incurred in the last quarter of the FY are not available for consideration by the committee as the meeting of committee is required to be organised well before the beginning of the last quarter of FY in pursuance of timelines prescribed in regulation 10 of the principal regulation, which envisages submission of budget estimates by the Committee for approval of the Authority two months before the beginning of next FY. This has necessitated making suitable changes in the provision regarding timelines for submission of annual budget estimates for approval of the Authority and amendment to that effect has been carried through these regulations.

4. There has been reorganisation of Divisions in TRAI with Consumer Affairs (CA) and Quality of Service (QoS) now being two separate Divisions. Consequential changes in the related provisions have accordingly been made in the Regulation.

**EXPLANATORY MEMORANDUM TO THE TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND (FIFTH AMENDMENT)
REGULATIONS, 2020**

The Telecom Regulatory Authority of India had notified the Telecommunication Consumers Education and Protection Fund Regulations, 2007 [(6 of 2007) [hereinafter referred to as the principal regulations] on 15th June 2007. In terms of these regulations, a fund called “Telecommunication Consumers Education and Protection Fund” (TCEPF) has been created. The income from the fund is utilized to undertake programmes and activities relating to consumer education and protection.

2. As per the current framework any excess charges revealed in the billing audit should be refunded to consumers. However, if a service provider is not able to refund the amount despite its attempt within the time period permitted by the regulations, the service provider has to deposit the unclaimed/unrefunded amount into the TCEPF.

3. The Authority noticed that there is some inconsistency on the grounds on which money is being deposited by service providers. Interactions held with service providers and analysis of the amount deposited, have revealed that while some service providers are depositing money only on account of excess billing revealed in the audit, some other service providers are depositing unclaimed money such as security deposits and plan charges of failed activations which they are unable to refund to the consumers because of non-traceability of the consumers. It is prudent to deposit any such unclaimed/un refundable amount belonging to consumers in the TCEP fund as it will be utilized for the welfare measures of the consumers. Accordingly it was felt that an amendment in the TCEPF regulation may be carried out to remove any kind of ambiguity and facilitate deposit of any unclaimed money of the consumer such as excess charges, security deposit, plan charges of failed activations etc.

4. In the view of above, a draft amendment to the regulation was placed on the TRAI website on 18.10.2019 for the comments of stakeholders by 18.11.2019. The responses received from the stakeholders were uploaded on TRAI website. Almost all the stakeholders concurred with the proposed amendments. Some of the stakeholders sent their suggestions in this regard. The relevant suggestions are analysed in the following paragraphs.

5. One service provider suggested that the Authority should list and clarify all the heads under which payments remained unpaid to the consumers that can be remitted to the fund. In this regard it is mentioned that based on the past experience and the amounts deposited in the TCEPF account, the major heads

have been mentioned in para 3 of this explanatory memorandum. However, in case service provider find any amount that is not covered in the above list can also deposit in the TCEPF. As such the amended regulation provide this flexibility to the service providers.

6. One service provider suggested that the Authority should prescribe the process to be followed when consumer, whose refund due has been deposited with the fund, approaches the service providers for such payment. In this reference it is mention that based on the amount deposited in the past it can be concluded that the refundable amount per subscriber is not very significant. Quality of Service regulations have already mandated timelines for refund of excess charges and security deposit etc. The service provider should make all efforts to refund any charges/amount/deposit refundable to consumer within given timelines. Further, the TCEPF regulations have provision of twelve months or period of limitation under law for the time being in force, whichever is later for service provider to transfer the unclaimed /un-refundable amounts to the TCEPF. However, if any person becoming entitled to refund of any amount, subsequent to the transfer of such amount to the TCEPF, the same may be claimed as per the provisions under regulation 16 of the principal regulations in pursuance of an order made by a Consumer Forum under the Consumer Protection Act or by any court or tribunal.

**EXPLANATORY MEMORANDUM TO THE TELECOMMUNICATION
CONSUMERS EDUCATION AND PROTECTION FUND (SIXTH AMENDMENT)
REGULATIONS, 2024**

The Telecom Regulatory Authority of India had notified the Telecommunication Consumers Education and Protection Fund Regulations, 2007 [(6 of 2007) [hereinafter referred to as the principal regulations] on 15th June 2007. In terms of these regulations, a fund called “Telecommunication Consumers Education and Protection Fund” (TCEPF) has been created. The income from the fund is utilized to undertake programmes and activities relating to consumer education and protection.

2. The Authority noticed that there are some expenses to be incurred from the fund for preparation, maintenance, audit of accounts, and for the participation of representatives of consumer groups attending the meetings of the Committee for Utilisation of Telecommunication Consumers Education and Protection Fund (hereinafter referred to as “CUTCEF”) for which explicit provisions are required in the regulations. Accordingly, amendments have been proposed in the regulation 6 and 13 of the principal regulations.

3. During the year 2020, Corporation Bank in which the Fund is maintained has been merged with the Union Bank of India. Further, the Consumer Protection Act, 1986 (68 of 1986) has been repealed by the Consumer Protection Act, 2019 (35 of 2019). Therefore, amendments have been proposed to change the relevant provisions in the principal regulations. In this regard, a draft amendment to the regulation was placed on the TRAI website on 24.07.2023 for the comments of stakeholders by 14.08.2023. The responses received from the stakeholders were uploaded on TRAI website. Most of the respondent stakeholders concurred with the proposed amendment. Some of the stakeholders sent their suggestions in this regard. The relevant suggestions are analysed in the following paragraphs.

4. One leading Bank has suggested to define “Bank” as “any Scheduled Commercial Bank as may be designated by the Authority”. This has been examined and it is observed that the Schedule bank is already defined under (ea) of regulation 2. Therefore, there is no need to define 'bank' separately. As such draft regulations have been modified to replace corporation bank with the “scheduled bank as may be designated by the Authority”.

5. One service provider suggested that the procedure to submit any amount to be deposited under the regulations should be facilitated through online payment method i.e. NEFT/RTGS. Keeping in view the ease of doing business the suggestions have been agreed to. Accordingly, necessary changes have been made in Regulation 4.

6. Some stakeholders suggested to increase the representations of telecom

service providers in CUTCEF, however it is observed that the suggestion is not relevant in the context and further it is already having two representations in the said committee.

7. Few stakeholders suggested that the travel expenses for the members nominated by COAI and ISPAI have also to be borne from this fund as in case of voluntary organisations. In this regard, the authority is of the view that the amendment proposed to bear the expenses of members of voluntary consumer organisations registered with the Authority who are members of CUTCEF because they are non-profit making voluntary organisations and nominated by the Authority as representatives of consumers, may not have requisite source of income for bearing the travel and other related expenses to attend the CUTCEF meeting. Whereas the members nominated from TRAI and service providers are attending the meetings as part of their official duties. Hence the suggestions of stakeholders is not agreed to.

8. In addition, some service provides have suggested that TCEPF may be utilized for the expenses for conducting Consumer Education workshops (CEWs) by service providers, for development of online platforms, SMS charges of the messages sent by Government entities. The same has been examined by the Authority and could not be acceded to due to the following reasons:

- a) The CEWs are organised by TSPs from the customer service perspective for their own consumers to improve the customer experience as mandated by the regulator.
- b) Regarding the utilization of fund through mobile platform, it is observed that present regulatory provision does not prohibit to do the same. It is mentioned that educational material of TRAI is being made available to public through website /you tube channels/ social media etc. Service providers have their own apps and websites for dissemination of information to their customers.
- c) With regards to the compensating mandatory SMS charges from TCEPF, as per the mandate, TSPs are to provide such alerts to their customers free of cost therefore, utilizing the fund for such purposes does not arise.

9. One service provider suggested that Telecom Service Providers may be permitted to deduct the applicable amount payable to consumers under orders of consumer forms or courts from the next upcoming dues to the fund under intimation to the committee. In this reference it is mentioned that the available provisions in regulation 16 of the principal regulations does not require any change as the Authority should verify the details of claim by any service provider before making any payment from the fund.
