

Comments for Consultation Paper

On

Regulation of International Mobile Roaming Services

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The TRAI has issued a consultation paper on 26.05.2020 on “Regulation of International Mobile Roaming Services”. The various regulations, directions, etc., issued by TRAI are reviewed and amended, if required, from time to time considering the change in sector landscape or considering the specific issues relating to the functioning of the telecommunication sector.

The present consultation paper focusses on the review of the regulatory framework to prevent instances of bill shocks to consumers availing IMR Service. The uniqueness of IMR Service vis-à-vis other alternatives implies a de facto monopoly of the Home Operator and raises concerns of any potential abuse of monopoly power resulting in adverse consequences for the consumer, be it in the form of abusive tariffs or a general lack of transparency in the communication of tariffs leading to a situation of bill shocks. The following questions are being posed for comments of stakeholders. The complete consultation paper is available on TRAI website.

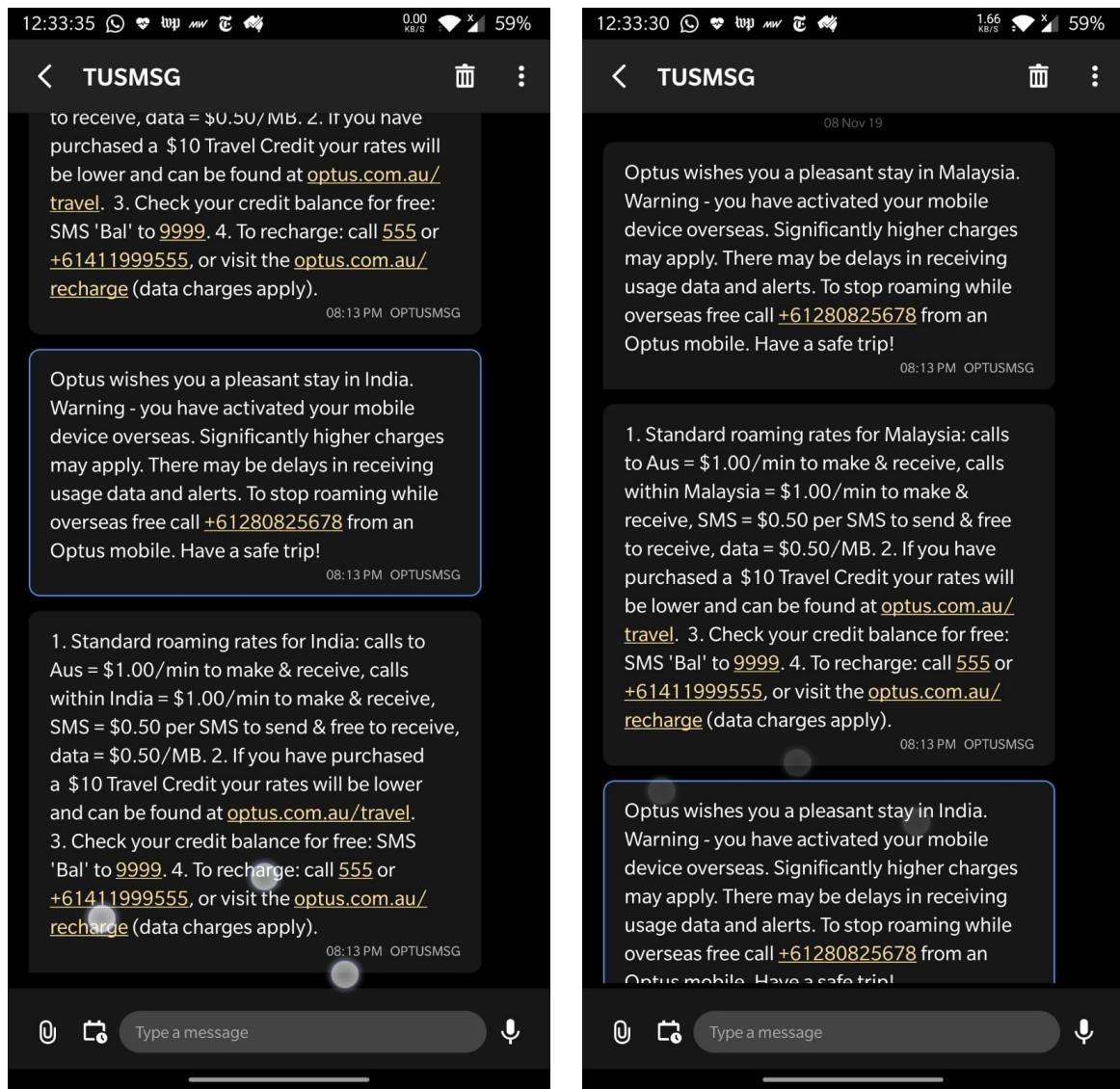
ISSUES FOR CONSULTATION

Question 1: Should not the IMR service remain inactive at the time of issue of the sim till the same is activated by the subscriber as a part of the IMR tariff-selection exercise? Please elaborate your submissions.

Yes. According to the Ministry of Tourism data, roughly 2.6cr people travelled outbound from India in 2018. That is only 2%, a small fraction of the total 116cr wireless subscribers (according to latest Highlights of Telecom Subscription Data). Hence it does not make logical sense to activate a service by default that upto 98% do not require. IMR service should be activated when consumer requires such.

Question 2: Should it not be mandatory to communicate the details of activation and applicable tariff immediately by SMS or email on completion of the tariff-selection exercise by the subscriber? Please give your views.

Yes. As per the consumer rights given to all consumers, it is a right for consumer to know the details of any purchase they make, so that they make an educated and informed decision. As described in para 3.8, an email should contain exhaustive information about the tariff chosen, and the SMS should contain most important information regarding the rates for data, calls and messaging. Please see attached screenshot for an example of such an SMS that I receive from an Australian TSP upon arrival in India. Note also that I also received a similar such message during transit in Malaysia.



Question 3: Should not the tariff details and related terms and conditions be communicated to subscribers of IMR service by SMS and /or email as soon as the phone is switched on in the visiting country by the subscriber. Please elaborate your views.

Yes. As it is possible that there are different rates in each country visited, subscriber should know all the details and rates as soon as they land in each country. Also they may decide to avail ACP in a country based on knowledge of these rates, if ACP is more competitive than rates provided by the Home Operator. Please see previous screenshot.

Question 4: Please give your views on the significant differences in tariffs for IMR Service under Standard Rates and IR Packs. Furthermore, your views are solicited as to how these two rates can be rationalized.

It is obvious that there is no logic behind differential pricing for the same net service to consumer. As a student of economics, it is clear that the motive behind such significant differences is the asymmetry of information. As clearly illustrated in a para 3.10 3.11 and 3.12, in summary, a rational consumer will minimise their total bill, and hence choose the best possible plan based on all available information.

In light of all the evidence, it is anti-consumer to have significant differences in standard rate and IR packs. Also, TSPs have had ample amount of time to rectify these differences themselves, but many

of them have chosen not to. This suggests that the only possible policy recourse is create **one** simplified scheme, either with standardised and regulated rates OR with standardised packs.

Question 5: Should not the IR packs apply automatically the moment subscriber's expenses on IMR Services exceed the corresponding daily IR Pack rate unconditionally for all the countries for which the service provider is offering IR Packs?

Yes. The consumer should pay the minimum charge as possible, and if they save money by automatic application of IR packs, then that should be the standard policy from the TSP, without any need for user intervention.

Question 6: Can IR Packs presently offered for one day duration be used to subscribe for multiple days to avail IMR Service? Whether the TSPs be mandated to permit combination of different IR plans as per requirement of the consumer? Please elaborate your submissions.

Yes. One of the most important choices from a consumer's perspective is that of flexibility. People do not plan foreign trips in integral multiples of 1, 7 or 30 days, or at the convenience of TSPs! It should be the other way around, service to the consumers. If subscriber wishes to have service for 4 days of the trip only, they should only have to pay for what they have used and wish to use, instead of being forced to pay for 7 day tariff.

Question 7: Why should not the IMR tariff be counted in 24 hour format on the first use of data, making or receiving a call or sending a text message and renewing the charges for only those 24-hour periods in which the services have been used rather than on calendar day basis? Please elaborate your submissions.

Again, the answer to this is pretty obvious. For best interest of consumer, billable time should start from when the consumer starts using the service, instead when they add the pack. I totally agree with the suggestions in the consultation paper.

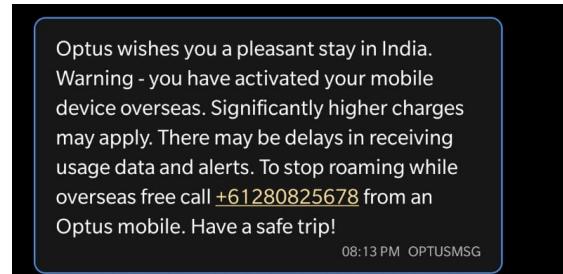
Question 8: In consumer interest why it should not be mandated for the service providers to send updates in respect of the data usage exceeding certain pre-established milestones such as 50%, 80%, 90% and 100% of the data entitlement? Please give your views.

I am surprised to know that this step is not mandatory for all TSPs. As suggested in the paper in para 3.19, it is not technically challenging to implement such a milestone scheme. Also, I am aware that these kinds of SMS have been implemented when packs are used locally within India. Hence, there is no logical reason why customer should not be updated at important milestones regarding their usage when abroad. This is one important step towards preventing bill-shocks, as customer is informed and hence able to control their usage, if needed.

Question 9: Will it not be advisable to mandate the TSPs to inform the subscriber by SMS every time the subscriber lands in a country/area not covered by the IR Pack subscribed, of the fact of roaming in an uncovered zone, and the tariffs applicable thereto? Would the aforesaid requirement suffice or whether alongside this, the TSPs be mandated to keep the

mobile data in the inactive mode and activate only in accordance with the directions of the subscriber? Are there any other measures that can be taken to cover the situation as detailed?

For the first part of this question, please note the warning message sent by my Australian service provider upon landing in a new country. It informs that I have landed in a country where I may incur higher charges than locally, hence I can plan and use my service accordingly. It also helpfully tells me that if I wish to stop my overseas roaming, I can make a **free** call to the hotline.



As described in the consultation paper para 3.20, the second major cause of bill shock is high mobile data usage. Therefore it makes full sense that customers be given the choice to enable mobile data, from a default of disabled, rather than the other way around.

Question 10: What are your views on the measures suggested in para 3.21 to protect the consumer from bill shocks due to usage of services beyond the pack entitlements? Please provide your views on each of the above measure and suggest additional measures, which in your opinion can be helpful in addressing the issue.

Regarding para 3.21a), I note that TSPs are very quick to disable services once pack entitlements are reached **locally within India**. Calls are dropped midway if subscriber talktime reaches 0 rupees. Hence there is no case for a duplicitous scheme under which TSPs do not stop services, even when limits are reached. Only if the customer wishes to renew and continue usage, should customer be continued to be charged.

Regarding para 3.21b). All three chapters of this consultation paper bring to light the loopholes in regulation policy that can be and have been exploited by TSPs, and have contributed to ‘bill-shocks’ to customers. Based on all the evidence, I wholeheartedly agree with the recommendations of 3.21 and 3.21b) in particular. It therefore becomes necessary to cap the amount that can be charged to customers.

Regarding para 3.21c) a rational optimising customer will recharge with another IR pack once they run out of the first pack entitlements, if that is the cheapest alternative. Hence it would be considered deceitful if TSP switches customer to standard rates by default. Rather, they should give convenience to the customer, and the suggestion in the paper that auto-recharges the cheapest IR pack is correct.

Question 11: Any other issue relevant to the subject discussed in the consultation paper may be highlighted.

Based on the Department of Telecom annual publication “Telecom Statistics of India”, about 95-96% of mobile subscribers are prepaid (similar proportion from other sources as well). That means only 1 in 25 subscribers are postpaid, a tiny minority. If operators refuse to allow prepaid subscribers access to IMR/IR packs, and instead only allow in postpaid connections, that means

they are not faithfully servicing the 24 in 25 that actually do require IMR services when travelling abroad.

Furthermore, the most important reason for many subscribers (myself included) is the ability to receive OTP and other such SMSs. As you are aware, almost all of Indian banking/financial services/cards require some kind of OTP; OTPs are evermore present in daily life. I therefore suggest that any policy that is made in regards to IMR, take into account the ability to atleast receive SMS free of any charge, free of any IR pack, or standard rate. SMS receiving should be free always.

I study in Australia, and as such, I have been unable to use my Indian bank accounts and other services that require OTP authentication. I have Indian prepaid numbers from Airtel and BSNL. On my last visit to India, when I went to the local Airtel office, they “strongly suggested” me to take up a **postpaid** connection with what I would say were really high fixed costs (which in hindsight I think is very much a ‘bill-trap’), as that is the only way to receive OTP abroad. I did not wish to subscribe to such a ludicrous scheme. To this day, I am unable to conduct online banking for my Indian accounts.

There are almost 2.8cr NRI's and PIOs, not to include the millions in the Indian diaspora, all of whom have familial, business as well as financial ties to India. Thus, I see it in the best interests of the nation to enable an effective and for the benefit of the customer, IMR regulation policy.