

Counter-Comments on Consultation Paper on Review of Telecom Consumers Protection Regulations (TCPR), 2012 dated 26th July 2024

I have provided my response to this consultation paper. I would also like to take this chance to present some counter comments on comments made by the Telecom Service Providers(TSP's) on this paper.

It would have been rational for TRAI to continue its policy on forbearance in tariffs so the prices can be decided by the market forces. However, given the telecom sector's shift towards a complete duopoly it is imperative to start mandating certain tariff changes in the interest of the consumers of this essential service.

The TSP's response on the consultation paper can be encapsulated in one word: Forbearance. While it is understandable for private companies to prioritise profits/revenue but I am shocked at their reasoning provided & inability to look beyond urban, digitally literate consumers. In a nutshell, they don't want to loose the minimum revenue generated from a consumer which for certain consumers increased from 0 to ₹200 P.M by moving away from pay as you go tariff structure to bundled plans.

The TSP's have carefully selected certain portions of the TRAI consumer survey to support their position but they conveniently ignored the same **survey's recommendation which says "More Value-for-Money Wireless Tariffs Can Be Provided: A substantial proportion of consumers, particularly those from the rural areas and those with a low capacity to spend did not find wireless tariffs affordable.** Moreover, wireless subscribers were also the most dissatisfied with the choice of existing tariffs indicating that there is room for improvement."

Note: Not being critical about the survey but the sample size is too small to get any meaningful conclusion from it. It also misses out on the rural consumers(particularly non data users) who are most burdened by the present tariff structure

There is no denying the fact that data prices have gone down significantly since 2017 which benefitted the data consuming users. The pay as you go tariff model which provided some affordability to low volume voice consumers has disappeared from the TSP's tariff offerings. These users end up paying for the data which they never use which brings in the need for Voice & SMS only plan. But, unbundling of Voice & SMS and data will bring down the ARPU's of the TSP's making them reluctant to offer such plans. If a consumer has no choice but to subscribe to the bundled plans, it cannot be concluded as an endorsement of the said plans.

The TSP's interpretation that providing a Voice & SMS only plan would push consumers away from data services is devoid on any logic. It is in no way an hindrance in connecting users to digital economy. If a consumer is in need of data, he will subscribe to a plan that has one, as simple as that. Stopping people from getting disconnected completely by lack of affordability of incoming service is as important as their objective of connecting the unconnected to digital world.

The P2P SMS market is not captured/reduced over experimentation on per day cap or floor price per SMS but due to its inherent limitation and OTT communication platforms offering a better messaging experience by supporting more than just plain characters.

There is a mention of transactional/service messages or UCC shifting to OTT which should not be a concern for a TSP. **As an Internet Service Provider a TSP has no right over what Internet is being used for. No democratic nation would allow to regulate the internet** except for some national security reasons. This fear mongering that "unregulated OTT" market is waiting to pounce upon such opportunities is baseless. This is just a part of their sinister narrative of trying to break net neutrality and regulate certain OTT services to benefit their vested interests in similar businesses. It is amusing that the same TSP uses the so called "unregulated OTT" on its help/contact us page to connect with its consumers.

Conclusion :

I hereby request TRAI to mandate Voice(limited) & SMS only plans and even an incoming only service if possible. I also request TRAI to ensure that enough retail plans with only the core telecom services(Voice, SMS, Data) are made available without any bundling of other services.

Mandating a Voice & SMS only plans does not mean mandating maximum the tariff to be charged. It is only allowing the users who don't use data to only pay for what they use. If there are really no users looking for the above said plans as mentioned by TSP's it wouldn't be much hassle to phase them out.

I would like to caution TRAI about a business using its significant market position to capture major market share of all kinds of OTT services by bundling them with the telecom tariff plans. History has proved that once enough market share is captured by providing free services, an anti competitive pricing structure evolves leaving consumers with little choice.