

RSM/COAI/165  
December 9, 2010

**The Telecom Regulatory Authority of India**  
Mahanagar Doorsanchar Bhawan  
Jawahar Lal Nehru Marg (Old Minto Road)  
Next to Zakir Hussain College  
New Delhi – 110 002

**Re: Counter Comments on some of the views of the stakeholders with regard to TRAI Consultation Paper on Certain Issues Relating to Telecom Tariffs**

Dear Sirs,

This is with reference to the TRAI Consultation Paper on “Certain Issues relating to Telecom Tariffs”. The Authority has placed comments of various stakeholders on the consultation paper on TRAI website. While we welcome and support this consultation process initiated by the Authority, we would like to furnish our counter response on some of the issues. Our counter comments are as below:

**A) Counter comments on the view expressed by some consumer associations that the existing Regulatory framework is not robust enough to ensure transparency in tariff issues.**

**COAI response:**

Over the years TRAI has taken various steps to ensure transparency in tariff issues and protect the interest of subscribers. Some of the steps taken by TRAI are listed as below:

- *Charges for itemized bill relating to Long Distance Calls*
- *Hard copy of the bill to be provided free*
- *Protection against hike in tariff*
- *Simplification of tariff structure for National Roaming Service*
- *Publication/advertisement of tariff for consumer information*
- *Provision of chargeable Value Added Services without explicit consent*
- *Information to customers about complete details of the tariff plan*
- *Address the issue of Tariff plans with misleading titles*
- *Disclosure of tariff information*
- *Provision of usage details to prepaid mobile customers*
- *Charging for SMS on Festival/customary days*
- *The Telecommunication Tariff Order (48<sup>th</sup> Amendment) and Direction dated 1<sup>st</sup> Sept., 2008 mandated several measures including*
  - *that Tariff information to be provided in vernacular language,*
  - *Blackout days (customary/festival days on which free/concessional calls/SMS are not available)restricted to a maximum of 5 days in a*

*calendar year and such days shall be pre-specified and no alteration is permitted*

- *Subscribers to get full talktime on talktime recharges barring an administrative fee, which shall not exceed INR 2/- per recharge and applicable taxes*

Service providers have meticulously followed all the Regulations/ Directives/ Amendments issued by the Authority from time to time. The Authority also from time to time has taken various proactive steps to intervene and ensure that there is enough transparency and the interest of the subscribers is protected.

**COAI is hence of the view that a robust and adequate Regulatory framework is already in place. TRAI has issued several Regulations/ Directives/ Amendments in the past and no further intervention / amendment is required. We reiterate that pure play of market forces should be allowed to prevail.**

**B) Counter comments on the view expressed by some consumer associations that introduction of “One Standard Plan for All Service Providers” is appropriate.**

**COAI response:**

It has to be kept in mind that the requirement of the subscribers is very dynamic and the market is highly segmented. Service providers are following marketing strategy so as to meet the different needs of various segments. Keeping in mind the different strategies being followed by operators, it would be very difficult to mandate a “One Standard Plan” across all operators.

We reiterate “One Standard Plan for All Service Providers” will undermine the different and innovative marketing strategies being followed by various operators to enhance their market share. It will work against introduction of innovative and attractive plans in the market.

“One Standard Plan for All Service Providers” will reduce competitive advantage and will reduce the ability of service providers to differentiate their offerings to the subscribers in the market place.

It is also pertinent to keep in mind that Mobile Number Portability is being launched on a pan-India basis and the same will provide greater choice to the subscriber.

**In light of the factors above, we are of the view that introduction of “One Standard Plan for All Service Providers” is not a relevant proposition.**

**C) Counter comment on the view expressed by some consumer associations that multiplicity of tariff plans in the market has created confusion and the existing cap of 25 on the number of tariff plans may be revised**

**COAI response:**

As stated in our response, significant choice for the customers exist in virtually all sectors like Automobiles (Cars), Insurance, Mobile handsets, TVs etc., and the choice or the options available to the customers is only increasing with time. From a subscriber perspective, it is always better to have choice rather than no choice.

Moreover, service providers ensure that the relevant information is available to the subscriber through all the necessary channels such as Brochures, Print Media, Television, Retail outlets and Websites.

Various service providers have links on their websites where a subscriber can go and find a most suitable tariff package as per his/ her usage. The service providers have “*web based calculators*”, “*financial implications feature*” and “*tariff details*”, which a subscriber can use as tool for arriving at a most suitable tariff package.

### **Plan Calculator, financial implications, tariff details links of the operators**

#### **Bharti**

[http://www.airtel.in/applications/xm/PostPaid\\_Tariff\\_popupNewUser.jsp?ID=2849&CIRCLE=2](http://www.airtel.in/applications/xm/PostPaid_Tariff_popupNewUser.jsp?ID=2849&CIRCLE=2)

[http://www.airtel.in/wps/wcm/connect/airtel.in/airtel.in/home/forme\\_newuser/mobile/postpaid+services/](http://www.airtel.in/wps/wcm/connect/airtel.in/airtel.in/home/forme_newuser/mobile/postpaid+services/)

[http://www.airtel.in/wps/wcm/connect/airtel.in/airtel.in/home/forme\\_newuser/mobile/prepaid+services/](http://www.airtel.in/wps/wcm/connect/airtel.in/airtel.in/home/forme_newuser/mobile/prepaid+services/)

#### **Vodafone**

[http://www.vodafone.in/existingusers/Postpaid/Talkplans/Pages/Bestfit\\_tariff\\_cal.aspx?cid=del](http://www.vodafone.in/existingusers/Postpaid/Talkplans/Pages/Bestfit_tariff_cal.aspx?cid=del)

[http://www.vodafone.in/prepaid/recharge/pages/topup\\_del.aspx?cid=del](http://www.vodafone.in/prepaid/recharge/pages/topup_del.aspx?cid=del)

#### **Aircel**

[http://www.aircel.com/AircelWar/appmanager/aircel/delhi?\\_nfpb=true&\\_pageLabel=postpaid\\_book](http://www.aircel.com/AircelWar/appmanager/aircel/delhi?_nfpb=true&_pageLabel=postpaid_book)

[http://www.aircel.com/AircelWar/appmanager/aircel/delhi?\\_nfpb=true&\\_pageLabel=P5600337801276587468724](http://www.aircel.com/AircelWar/appmanager/aircel/delhi?_nfpb=true&_pageLabel=P5600337801276587468724)

#### **IDEA**

[http://www.ideacellular.com/IDEA.portal?\\_nfpb=true&\\_pageLabel=IDEA\\_Page\\_ContentPostpaid&circlePlanCode=content\\_postpaid\\_dl\\_SuperValue\\_199.html](http://www.ideacellular.com/IDEA.portal?_nfpb=true&_pageLabel=IDEA_Page_ContentPostpaid&circlePlanCode=content_postpaid_dl_SuperValue_199.html)

[http://www.ideacellular.com/IDEA.portal?\\_nfpb=true&\\_pageLabel=IDEA\\_Page\\_ContentPrepaid&circlePlanCode=content\\_prepaid\\_delhi\\_GangCard.html](http://www.ideacellular.com/IDEA.portal?_nfpb=true&_pageLabel=IDEA_Page_ContentPrepaid&circlePlanCode=content_prepaid_delhi_GangCard.html)

**We would thus like to submit that it is not necessary for TRAI to intervene and change the existing cap on tariff plans as this would amount to further interference with the dictates of the market forces. However, we believe that there may be need of increasing this limit once 3G is launched and data services through 3G become popular.**

***D) Counter comments on the view expressed by some consumer associations that ISD tariffs need not be realigned in respect of existing lifetime subscribers***

**COAI response:**

Flexibility should be allowed to service providers to realign the ISD tariff in respect of existing lifetime subscribers, on account of various reasons which have been highlighted by the Authority in the Consultation paper which are beyond the control of service providers. The same can be achieved by amending the 43<sup>rd</sup> Amendment to the Telecom Tariff Order in order to allow the implementation of the revised ISD tariffs to the existing lifetime subscribers.

So as to ensure that there is a balance in the tariffs for terminating as well as originating ILD calls, flexibility should be granted to the Indian operators to negotiate for higher incoming ILD termination rates on a reciprocal basis

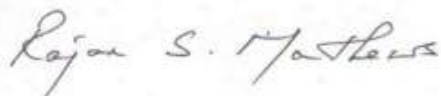
We therefore submit that the termination charge for international incoming calls should be left to market forces.

**Flexibility should be allowed to service providers to realign the ISD tariff in respect of existing lifetime subscribers and a balance in the tariffs for terminating as well as originating ILD calls can be achieved by granting flexibility to the Indian operators to negotiate for higher incoming ILD termination rates driven by market forces.**

We hope that our submissions will merit your kind consideration and support.

Kind regards,

Sincerely yours,



**R. S Mathews**  
**Director General**

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