

VIL/ LT/20-21/308
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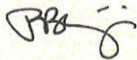
Subject : TRAI's Consultation Paper on Transparency in Publishing of Tariff Offers

Dear Sir,

This is with reference to the Consultation Paper on Transparency in Publishing of Tariff Offers dated 27.11.2019.

In this regards, please find enclosed our inputs & comments on behalf of Vodafone Idea Ltd.

Yours sincerely,
For **Vodafone Idea Limited**



P. Balaji
Chief Regulatory & Corp Affairs Officer, External Affairs

Vodafone Idea's response to TRAI Consultation Paper No. 20/2019 on Transparency in Publishing of Tariff Offers dated 27 November 2019

At the outset, we are thankful to TRAI for giving us an opportunity to provide comments to the Consultation Paper No. 20/2019 on Transparency in Publishing of Tariff Offers, which raises some pertinent issues in the interest of consumers.

One of the key values of Vodafone Idea Limited (VIL) is to ensure transparency in its tariff offers and related communications so as to build a culture that fosters trust. VIL makes all efforts to ensure that the tariff offers and associated terms and conditions are transparently communicated to consumers and are easily accessible so that consumers can avail the offers with confidence, make informed choices and be satisfied with the services.

Preamble:

We welcome any initiatives that enable greater transparency to consumers and laud the Authority's initiatives till date, in this regard. We note that the Authority has prescribed many directions, regulations and guidelines for TSPs that facilitate greater transparency in communication/publication of tariffs in the interest of consumers, which are being adhered to by the TSPs. These include aspects related to:

- Tariff protection to subscribers where tariff plan once offered by TSP shall be available to a subscriber for a minimum period of 6 months from the date of enrolment of the subscriber to that tariff plan;
- Tariff Reporting requirements to ensure that all new tariffs and changes thereto, are filed with TRAI within 7 working days of introduction / change after conducting a self-check to ensure that the tariff plan is consistent with the regulatory principles in all respects which inter-alia include IUC Compliance, non-discrimination and non-predation;
- Migration, Installation Charges
- Processing Fee
- Tariff Transparency
- Information to customers regarding usage
- Blackout period
- Information in Post Paid Bills
- Types of Prepaid Vouchers
- VAS consent etc.

Transparency is not only important to consumers, it is also a business imperative for TSPs as it ensures that customer complaints/dissatisfaction and regulatory intercessions are minimised leading to customer satisfaction, loyalty and better operational efficiencies.

The transparency requirements need to be balanced against aspects of relevance, simplicity/ease, and proportionality to the objectives, for both consumers and TSPs alike, particularly when TSPs are complying with TRAI's directions and are self-incentivised to serve the interests of consumers, since TSPs operate in a dynamic and competitive service industry that is fast moving towards digitisation.

In essence, VIL is of the view that the current regulations/directions/guidelines prescribed by TRAI towards achieving transparency in disclosure of tariff information are sufficient. However,

what may remain are only some areas of rendering greater simplicity/ease for consumers & TSPs alike which have been dealt with in the response.

We provide below our detailed response for the Authority's consideration:

Issue-wise response:

Q 1. Whether TRAI should prescribe any format for publishing tariff? Please support your answer with rationale.

A 1. To the extent of prepaid and postpaid tariff plans, the Authority can continue with the prescribed formats, which it had mandated vide direction dated 16.01.2012, for continuity in terms of ease of reference by consumers in the form of a single view of all available tariff plans of a TSP. These formats can be revisited from the perspective of simplicity and relevance/ease of understanding in the context of tariff plans now being offered by TSPs in the market where unlimited and bundled plans are on offer. The prescribed formats can additionally include information of applicable STVs/CVs on a particular tariff plan, for ease of reference by consumers. Similarly, First Recharge Condition and Fair Usage Policy should be part of the format.

In our view these should be updated in the website of the TSP and the same information should be available in POS and Customer Care in digital form, which should suffice the requirement and which will also be timely information unlike the print medium, which has its limitations.

With respect to tariff vouchers (viz. Top-up vouchers, STVs, Combo vouchers, and Data packs), the Authority has forborne from prescribing the format for publication of such tariff vouchers. It has rightly noted in Para 2.7 of the consultation paper that the STVs and Combo vouchers are more dynamic products and consequently, these are frequently changed/updated, thereby making it difficult to have the same updated as per TRAI prescribed formats. On account of the overarching mandatory regulatory requirements of publishing all tariffs (as filed with the Authority) on the TSP's website and uploading all tariffs on TRAI's online portal (which get published in TRAI tariff portal) as well as TRAI guidelines w.r.t updated tariff information to be made available on third party apps/websites (for recharge/payment purposes), we submit that adequate information of these tariff vouchers is already made available on the TSP's website and TSP's mobile apps, point of sales, third party apps/websites (for recharge/payment) and also on TRAI's tariff portal. The TSPs are providing/ensuring that all the necessary information w.r.t tariff vouchers is displayed in a transparent and unambiguous manner. For eg.

1. Top-up/Talk-time vouchers – Information w.r.t MRP, Type (viz. recharge), Talk-time (amount), Benefit (viz. talk-time), Validity (viz. NA), Access fee, & GST, is transparently and clearly published.

2. STVs/CVs – Information w.r.t MRP, Type (viz. bonus card), Benefit, Validity (viz. days), is transparently and clearly published.

3. Data packs – Information w.r.t MRP, Type (viz. Internet pack), , Benefit (viz. data quota), Validity (viz. days), is transparently and clearly published.

Further, in accordance with TCPDR 2012 dated 6th January 2012, TSPs are transparently indicating on their website if there are certain STVs and CVs that are linked to only certain tariff plans, so that the consumers have access to complete information in respect of applicable STVs and CVs.

As mentioned in response to Question No.1, we submit that additional information in the tariff plan format with respect to applicable STVs, will rather meet the end objective.

In addition to compliance to the regulatory requirement w.r.t publication of tariffs, TSPs are regularly subjected to checks as part of Metering & Billing (M&B) audits, along with snap audit of metering and billing which is carried out by independent auditors appointed by the Authority to check the observance of transparency, accountability, credibility and protection of consumer interests by TSPs, thereby ensuring a system of checks and balances on TSPs.

In view of the above, the Authority need not prescribe any format(s) for publishing tariff vouchers.

We also request the Authority to simplify the existing prescribed tariff reporting formats for tariff plans to ensure that they remain relevant and useful for consumer information on the TRAI Tariff portal. This is particularly relevant since the tariff offerings have evolved to unlimited and bundled plans. A detailed discussion with TSPs can be undertaken in this regard, to arrive at the simplified tariff reporting formats.

Q 2. If the answer to the Question 1 is yes, then please give your views regarding desirability of publishing tariffs on various modes of communication viz., TSP website/Portal, App, SMS, USSD message, Facebook, WhatsApp, Twitter, Customer care centers, Sales outlets etc. If the answer to the question is that tariffs should be published on multiple channels as above, please state whether TRAI should prescribe a separate format for each channel. Please also suggest the essentials of the format for each channel.

A 2. As mentioned in our response to Q1, the regulatory mandated requirement of publishing tariffs on TSP website/portal already exists, which is being adhered to by TSPs. We note that prescribing the formats for tariff information on various communication modes other than TSP website/app, Customer Care Centres and Sales outlets, would be too restrictive for TSPs who are already ensuring the inclusion of their website/URL in all advertisements and communication channels, so that the consumers can visit the TSP website for details of the tariff offers in order to make an informed decision. Moreover, some of the communication modes such as USSD, Whatsapp etc. may not be uniformly available across all TSPs (for business/technology limitations), thus creating an issue of uneven regulatory mandates. Hence, **VIL is of the view that tariffs need not be published as a regulatory mandate on channels other than TSP website, Customer Care Centres and Sales outlets and there too only digital medium should suffice the requirement.** This would meet the objective of transparency and unambiguity in tariff information as well enabling uniformity in viewing of tariffs of all TSPs (for the sake of comparison) by consumers.

Q 3. Whether the extant format prescribed for publishing tariff at TSP's website conveys the relevant information to consumers in a simple yet effective manner? If no, please provide the possible ways in which the same can be made more effective?

A 3. While the present format conveys the relevant information to consumers in a detailed manner, however as mentioned in our response to Q 1, the Authority may look at simplifying the presently prescribed formats in view of evolution of tariff offers to unlimited and bundled plans, for which discussions can be undertaken with all TSPs to arrive at the simplified formats.

We would also like to suggest that if there are any upfront/fixed charges for subscribing to a tariff plan (such as any membership fee), these should also be transparently reflected in the

presently prescribed formats, so that the consumer can see the tariffs in a holistic manner, and make an informed decision.

Q 4. Whether the service providers be required to publish all the tariff offerings and vouchers in addition to the publishing of tariff plans, in the prescribed format? Please provide rationale for your response.

A 4. No, the Service Providers should not be mandated to publish all the tariff offerings for the reasons stated in our response to Q 1 and Q 2. The segmented offers are in any case outside the purview of any such publication.

Q 5. Whether there is a need to mandate TSPs to introduce a tariff calculator tool to convey the effective cost of enrolment and continued subscription? If yes, what can be the essential features of such a tool? If the answer is in negative, then please give reasons for not mandating such a tool.

A 5. As the TSPs display all their tariffs on their website/app and as TRAI Tariff portal is already available to consumers, there is no need to mandate TSPs to introduce a tariff calculator tool.

We note that the TRAI's Tariff portal already acts as a comparison tool for consumers to see all plans across TSPs at similar MRPs in a telecom circle. It also acts as a tariff selector where the consumers can choose certain tariff parameters (such as validity, price, data capping etc.) and obtain the list of relevant tariff plans/offers that meet those parameters.

In addition to the above, the consumers can see/compare the tariffs of all TSPs on various third party websites/apps and they can always call TSPs' customer care centres or visit stores/retailers to obtain any further information.

In our view, since the tariffs are being published on websites, various components like STVs / Combo Vouchers/Top Ups and with bundled plans the need and relevance of tariff calculator is not there. Considering the changes in tariff plans/STVs/CVs and components like validity and usage the resultant changes in tariff calculator tool will be far too many and its veracity will be subject to doubt.

Q 6. Whether the service providers be asked to disclose clearly the implications of discontinuation of tariff plan after expiry of mandatory tariff protection period of six months on the provision of non-telecom services offered as a part of the bundle at the time of subscription to a particular plan? If yes, what should be the exact details that service providers may be required to provide in case of bundled offerings? If the answer is in negative, then please give reasons for not mandating such a disclosure.

A 6. At the outset, w.r.t third party offerings (i.e. bundled products/offers), the Authority has noted in Para 2.8 of the consultation paper that many complaints have been received regarding the charges being imposed on the customers after the free subscription period of such service to customers is over.

We submit that whenever VIL offers such bundled products, VIL ensures that customers need to explicitly opt-in to such bundled offers by actively accepting the T&Cs (which are unambiguously summarized and detailed out for the customers) so that they are not caught unaware. Thus, informed consent of the customers is taken. Further, VIL ensures that prior to end of free subscription period, reminder notifications (in the form of SMS) are sent reasonably

in advance to customers intimating them that they will soon be charged for the bundled offering and while also providing them with the toll free option to unsubscribe in such notifications. Presently, the TSPs are already explicitly mentioning in their T&Cs that the provision of the non-telecom services is conditional to the subscribers availing certain/eligible tariff plans of the TSPs and that if the subscriber voluntarily moves to alternate/eligible tariff plans, then such non-telecom services will either be disconnected or specific exit conditions for cancellation shall apply.

Further, on the specific aspect of potential conflict between tariff and bundled offering obligations, if a tariff plan offers a free subscription of certain service for a period exceeding 6 months and the TSP proposes to change the tariff or discontinues the tariff plan after 6 months, the existing customers on those tariff plans are either protected in terms of the continuity of the bundled offering until expiry of the free subscription period to the bundled offering or are required to migrate to the eligible tariff plans where such free subscription can be continued to be availed by the existing customers – the conditions may differ depending on the TSP's arrangement with the third party and TSP's business decision.

Q 7. Whether the service providers be required to provide a declaration while reporting tariffs to TRAI and displaying tariffs through its various channels that there are no terms and conditions applicable to a tariff offering other than those disclosed here? Do we require additional measures to ensure that all the terms and conditions are clearly communicated to the subscribers and the Authority? If the answer to the above is yes, then please provide your suggestions in detail. If you do not agree with the above requirement, please provide detailed reasons for the same.

A 7. The tariff components of plans, vouchers etc. are duly reported and the reporting requirements should be sufficient to cast obligation on TSP regarding reporting. Hence, no further declaration should be required.

Moreover, all the information, including detailed terms and conditions, regarding third party products are neither part of tariffs nor these can be displayed in channel /websites (only link is given for the customer to see them).

Q 8. Whether the service providers be required to publish details of all plans in the prescribed format including the plans not on offer for subscription but active otherwise? Please support your answer with rationale.

A 8. No, the TSPs should not be required to publish details of plans in the prescribed format for the plans not on offer for subscription but active otherwise. Tariff plan information is already communicated every billing cycle to Postpaid subscribers as part of the bill. So, relevance of publishing the tariff plan information of active postpaid plans (which are no longer available for subscription) on TSP website is negated. Moreover, these withdrawn plans may be too many in numbers, hence consuming a lot of space, cost and will create unnecessary confusion in the minds of consumers if these are not available for subscription but are still displayed. Both prepaid and postpaid mobile subscribers can always call on 198/199 or use TSP's USSD/SMS short codes to know their tariff plan information and last billing/recharge information– these are also displayed to the subscriber on TSP's app and subscriber's 'My account' section of TSP's website.

Q 9. Whether the service providers be required to update the information on point of sale and retail outlets simultaneously with the launch/change of a tariff offer?

A 9. TSPs are already ensuring that they update the information via digital media on point of sale and retail outlets (i.e. through TSP applications made available to such outlets) almost simultaneously with the launch/change of a tariff order.

Thus, to the extent of updating through digital media such as application(s) made available by the TSP for its stores and retailers, the Authority can require the TSPs to update the tariff information within reasonable timeframes (presently 15 days) with the launch/change of a tariff offer.

Insofar as display of the updated information in print/paper form on the Point of Sale (PoS) is concerned, this should not be made mandatory as the information is available in digital media and the printed medium has its limitations (logistics, relevance, quality) and which may be misleading. If TSP is on its own providing any tariff information in printed form then it must state the website address of the TSP for customer to see detailed information of the tariffs.

Further, information w.r.t the tariffs is now made available on TSP's digital application(s) for its stores and retailers, wherein the walk-in consumer is guided to TSP's tariff plans and offers on PCs/Tablets/Smartphones available in store or with the retailer. This helps in reducing the printing costs and carbon footprint while also ensuring that up-to-date/latest information is easily accessible to consumers at the time of walk-in.

Q 10. Whether the tariffs published in prescribed formats are displayed on websites of the service providers in an effective manner? If no, should the manner of display on website may also be prescribed by the Authority? If it is felt that the manner of display on website may be prescribed by the Authority, please give your views on the proposed display framework.

A 10. While we believe that the tariffs published in prescribed formats are displayed on TSPs' websites in an effective manner, we suggest some improvements as follows:

- Existing prescribed formats can be revisited from the perspective of simplicity and relevance/ease of understanding in the context of tariff plans now being offered by TSPs in the market where voice tariffs (in postpaid) are nil as these are included in the tariff plan rentals.
- The prescribed formats can additionally include information of applicable STVs/CVs on a particular tariff plan, First Recharge Condition, Membership Fee and Fair Usage Policy for ease of reference by consumers
- A dedicated hyperlink/tab with uniform nomenclature across TSPs, can be provided on the main page/homepage of each TSP's website, which leads the consumer to prepaid/postpaid tariffs of TSP in the prescribed format, thus making it easier for the consumers to navigate the TSP website and access this information.

Q 11. What are your views on introduction of concept of unique id and requiring the service providers to link the tariff advertisements etc. with corresponding tariffs published in TRAI prescribed formats including requirements to publish dates of implementation of tariff and that of reporting of tariff. Do you think that any other safeguards need to be introduced? If yes, please elaborate. Please support your answer with rationale.

A 11. We are of the view that consumers will not find it easy to note a unique ID and cross-refer it to a given tariff related advertisement. We suggest a simplified approach of displaying the TRAI Tariff portal on TSP website/app or advertisement, so that consumers can refer to the detailed tariff information as made available on TRAI Tariff portal. We also submit that

mandating any unique ID and linking it with tariff advertisements would also be a very cumbersome activity for the TSPs and would lead to unnecessary confusion and complexity. We submit that such methodology will be susceptible to inadvertent mistakes and request that the same should not be prescribed.

Q 12. Whether the proposed monitoring and compliance mechanism is enough to deter any violation of compliance with applicable regulations/directions. If no, please suggest further safeguards that may be introduced to ensure a robust monitoring and compliance mechanism.

A 12. In our view the proposed monitoring and compliance mechanism including unique ID, date of implementation and date of reporting cannot be displayed on the website or in advertisements as it will create confusion and will not serve the purpose of consumer communication through advertisement.

Unique ID of Tariff Plan (which is used for cap on number of tariff plans), Date of Implementation (Launch) and Date of Reporting is basically a reporting related requirement which is already followed by TSPs and it should be maintained for that purpose only. Hence we request no change in the existing practice.

Q 13. Any other issue relevant to the subject discussed in the consultation paper may be highlighted.

A 13. As mentioned in our response to Q1, we request the Authority to simplify the existing prescribed tariff reporting formats to ensure that they remain relevant and useful for consumer information on the TRAI Tariff portal. This will also facilitate TSPs to report tariffs with ease i.e. it will facilitate ease of operational compliance and will provide relevant information to customers.

Since digital media is more relevant for the digital communication services for reaching out to customers, and printed information has its limitations, we request that the mandate on printed information should not be prescribed. The only exception can be voluntary information/advertisement by TSP which should have information of website of TSP for tariff details.