



**COAI Response to TRAI Draft notification on “TELECOM CONSUMERS PROTECTION (THIRTEENTH AMENDMENT) REGULATIONS, 2026”.**

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We thank the Authority for providing us with the opportunity to respond to the draft notification on “Telecom Consumers Protection (thirteenth amendment) Regulations, 2026”. We are surprised to note that the Authority has proposed such an overly prescriptive approach by suggesting introduction of Voice and SMS only plan with the validity period corresponding to each validity period of STV being offered.

It is further submitted that increasing reliance of the consumers on integrated voice and data services, has shaped current tariff structures which more than adequately meet the requirement of greater choice, flexibility and affordability.

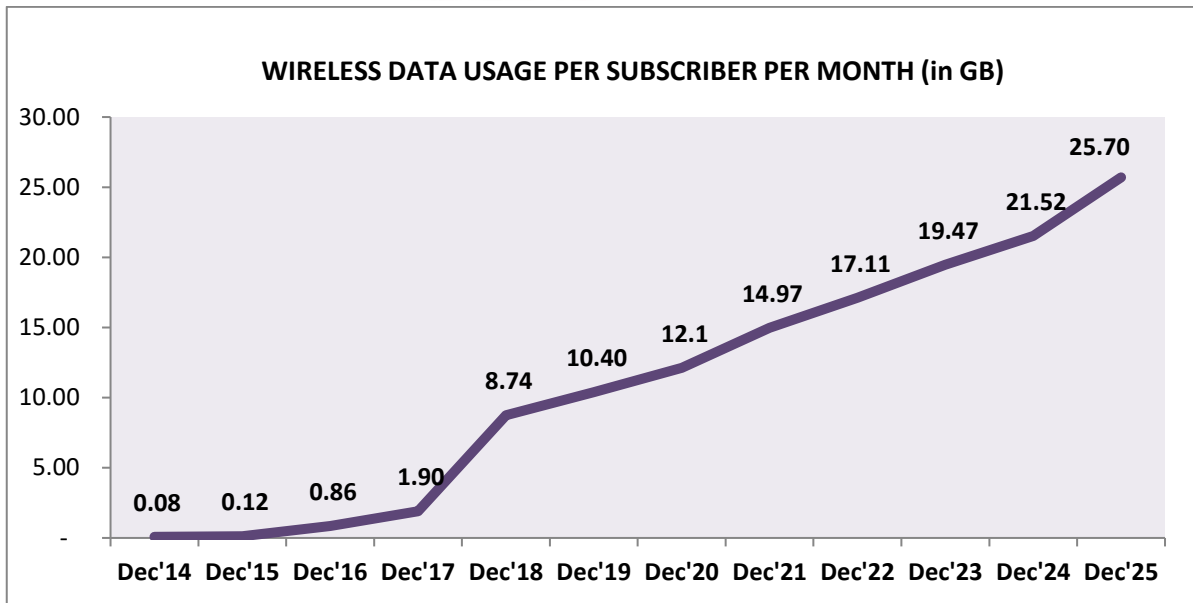
It is respectfully submitted that TRAI had issued the TCPR (12<sup>th</sup>) dated 23.12.2024, mandating service providers to offer at least one STV exclusively for Voice and SMS. The same has been implemented by the industry in good faith. We submit that this is more than adequate and that further prescriptive intervention is not required. Moreover, it is also pertinent to note that Voice and SMS-only STVs will provide an attractive option for unregistered telemarketers for pushing spam and unsolicited communications.

Further, TRAI’s concern about low validity and low-cost Voice and SMS only pack are unfounded as the TSPs provide low-cost low data packs with 28-day validity. This ensures that the customers get some data along with voice and data. The low data in these packs has been intentionally kept to ensure that the price sensitive customers are able to access data for basic UPI and social media.

Accordingly, aspects relating to availability of Voice and SMS-only packs, validity parity across plans and proportional pricing merit a reconsideration by the Authority to ensure that regulatory intervention does not inadvertently constrain tariff flexibility, operational efficiency, or value to the customers.

**1. No evidence of Market Failure**

- a) The TRAI press release and the Explanatory Memorandum refer to “consumer outcry” and “representations” from consumers as a basis for the proposed amendment. However, it does not provide empirical evidence regarding the scale, geographic spread, or representativeness of such demand. In contrast, TRAI’s own Indian Telecom Services Performance Indicators report consistently shows a year-on-year increase in data consumption per user, which is clear evidence that, driven by affordability, the market remains robust. Therefore, it is respectfully submitted that policy decisions of this nature would benefit from being grounded in verifiable data.



(Source: TRAI PMR Report)

- b) The Explanatory Memorandum does not indicate the existence of any market failure that would warrant such prescriptive regulatory intervention in such a well-established and highly competitive market. On the contrary, our member operators keep on getting regular complaints for lack of data in the Voice/SMS only packs already made available. As there is no other option, these customers are guided to buy data packs.
- c) TRAI has consistently adhered to forbearance in tariff regulation, allowing service providers the flexibility to design offerings based on consumer demand. This forbearance and commercial freedom allowed TSPs to design bundles that moved from high, voice/SMS-only per-minute pricing to a simple “all-in-one” bundle that provides customers more value than formula-based controls. The proposed amendment is a significant departure from this principle.
- d) It is pertinent to note that, if sufficient demand existed for voice-only Special Tariff Vouchers across all validity periods, service providers would already be offering them in a competitive market. The fact that they have not done so suggests that demand does not exist. The earlier Twelfth Amendment, which mandated a 365-day voice-only STV, represented a reasonable and balanced compromise. Expanding this requirement to every validity period may be disproportionate and intrusive.
- e) Considering the foregoing, we respectfully submit that regulatory intervention is best reserved for instances of demonstrated market failure, rather than for prescribing exhaustive product matrices. Finally, mandating parallel voice-only STVs across all validities would significantly add to the operational and regulatory complexity and costs, without any clear or commensurate benefit to consumers. While simultaneously confusing the price-sensitive consumers into wrong recharges, leading to an increase in complaints.

## **2. Data is no Longer Optional; it is Foundational to Daily Life**

- a) The Explanatory Memorandum of TRAI appears to imply that data constitutes an “unnecessary” or “avoidable” expenditure for certain consumer segments, including the elderly, low-income users, and rural populations (as referenced in clauses 6, 7, and 8). We respectfully submit that this characterisation is no longer in line with the prevailing ground



realities. Data has become an indispensable component of everyday communication, the distinction between voice-centric and data-centric usage is rapidly eroding.

- b) The Government of India’s own Digital Inclusion initiatives—such as PMGDISHA, Common Service Centres, DigiLocker, UMANG, DBT transfers, and the India Stack—are explicitly built on data connectivity. Furthermore, essential services like telemedicine (e-Sanjeevani), financial inclusion (UPI, AePS), remote education (DIKSHA, SWAYAM), and agricultural advisories (Kisan SMS, now increasingly data-enabled) all require data access. In this context, it is evident that data can no longer be viewed as optional or supplementary.



(Source Digital India)

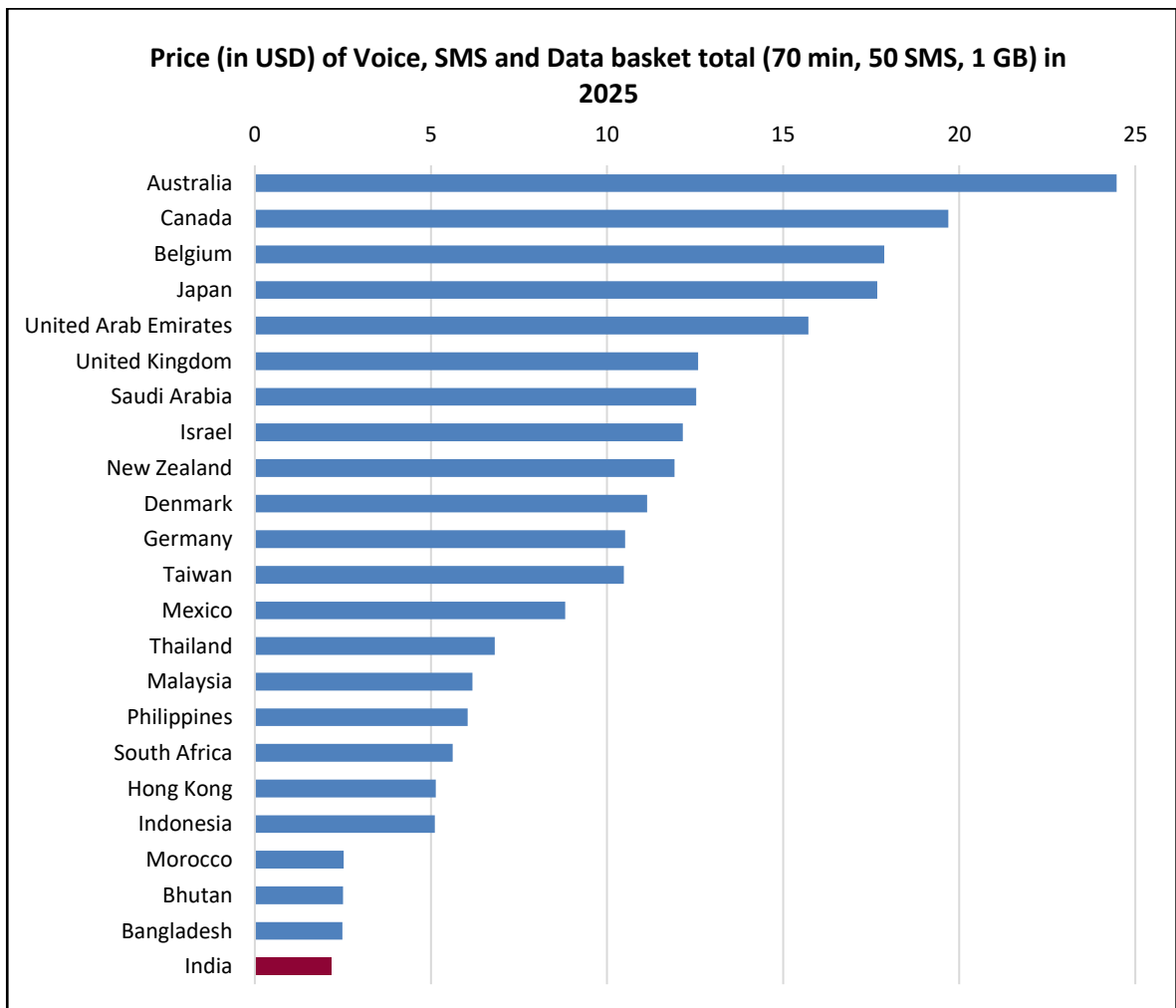
- c) Therefore, mandating parallel voice-only Special Tariff Vouchers for every bundled validity period would implicitly legitimize a non-data consumer category that the Government’s digital policies are actively working to include. Any move that discourages data use risks directly impacting financial inclusion and digital delivery of public services. . It is respectfully submitted that the regulatory framework should encourage, rather than inadvertently discourage, the integration of all consumers into the digital mainstream.

### **3. Risk of increased unsolicited commercial communications (UCC)**

- a) It is respectfully submitted that the introduction of Voice-and-SMS-only Special Tariff Vouchers across multiple validity periods may have an unintended and adverse consequence of increasing unsolicited commercial communications (UCC).
- b) Voice-only packs with lower validity and lower price point will attract Unregistered Telemarketers (UTM), engaged in bulk voice calling and fraudulent operations as it risks incentivizing the spammers. Such entities have little or no need for data and would find these packs a low-cost means to conduct high-volume voice calls without the additional expense of bundled data. This could lead to an escalation in spam calls, undermining the significant efforts made by TRAI and service providers under the Telecom Commercial Communications Customer Preference Regulations (TCCCPR), 2018.
- c) Moreover, these voice-only recharge options would make it easier for telemarketers to “use and throw” multiple SIMs and evade detection, thereby harming the very consumers the amendment seeks to protect. It is therefore submitted that any regulatory measure that expands voice-only offerings should be carefully evaluated for its potential impact on spam.

**4. Concerns pertaining to Low-income group**

- a) In Clause 6 of the Explanatory Memorandum, TRAI has expressed concern that low-income group consumers, particularly those in rural areas, are being deprived of affordable choices and may require shorter validity packs to recharge according to their needs.
- b) It is now an established fact that the price of telecom service in India, even with voice, SMS and data bundled together, is one of the lowest in the world. A wide range of bundled prepaid plans, available across various price points, ensures both accessibility and affordability while offering significantly greater value than purchasing individual services separately.



(Source : The International Telecommunication Union ICT Price Statistics 2025)

- c) Thus, the availability of telecom service at such affordable prices already meets these needs of low-income group consumers effectively. The base plans being offered by TSPs presently are already a de facto Voice and SMS plan since they offer data services that just about meet the need for citizen to access necessary public infrastructure facilities.
- d) Unbundled voice-only packs may, in fact, lead to higher effective costs and reduced consumer convenience. Furthermore, the assumption that certain consumer segments do not require data is no longer aligned with prevailing market realities. Notwithstanding the same, Service providers already offer voice-centric plans with limited data, which adequately address such use cases without forcing consumers to pay for unwanted services.



- e) Accordingly, it is humbly submitted that the current market-driven framework already enables consumers to select plans aligned with their usage patterns and spending capacity. Additional regulatory prescription in this regard may inadvertently constrain tariff design, reduce the efficiencies of bundled offerings, and lead to sub-optimal consumer outcomes. Thus, the existing competitive landscape, remains the most effective mechanism for addressing diverse consumer needs.

## **5. Concerns regarding Validity Period**

- a) In Clause 6 of the Explanatory Memorandum, TRAI has further expressed concern that existing Voice and SMS-only packs are predominantly offered with limited validity options, typically on a quarterly or annual basis. TRAI has stated that such longer-validity packs require relatively higher upfront payments, potentially posing affordability challenges for low-income consumers.
- b) In this regard, it is respectfully submitted that recharge behaviour among these consumer segments is driven primarily by convenience. Longer-validity bundled plans are designed to simplify usage and are offered specifically for customer convenience. They do away with the inconvenience of frequent, multiple recharge transactions.
- c) This enhances convenience and significantly improves the overall user experience—a benefit that is particularly valuable for the elderly and not-so-tech-savvy rural consumers.
- d) Furthermore, it is respectfully submitted that longer validity packs are, in fact, more affordable and economical when compared to lower validity packs. The effective daily cost of a longer-validity pack is typically lower than that of multiple shorter-duration recharges. Even though the upfront payment is higher, for low-income consumers, the total cost of ownership over a given period is often lower with longer-validity packs.
- e) Therefore, imposing a mandate to create voice-only STVs for every short validity period may inadvertently lead to higher per-unit pricing, thereby reducing the very affordability the Authority seeks to protect.

## **6. Proportional Pricing Mandate is Commercially Unviable & Technically Flawed**

- a) The proposed amendment requires a “largely proportional reduction in tariff” for voice-only STVs relative to bundled STVs. This presumes that data costs are linear, separable, and represent the majority of a pack’s value, which is not the case.
- b) Firstly, it is not possible to calculate proportionate costs. The network costs are largely shared; spectrum, tower operations, backhaul, and maintenance do not decrease proportionally when data is removed. Imposing proportional reductions could force operators to raise bundled pack prices to maintain margins or withdraw short-validity bundled packs to manage regulatory complexity, ultimately harming consumers.
- c) This flawed assumption of linear cost separability is not unique to telecommunications. In fact, it cannot be applied to other infrastructure-heavy sectors. For instance, an airline ticket price does not drop by substantially simply because a passenger forgoes checked baggage and a meal; the core costs of jet fuel, flight crew salaries, airport landing fees, and aircraft depreciation remain fixed and are shared across all passengers. Customers not opting for meals or check-in baggage can only expect a minor or at times no reduction in ticket price.



- d) The proposed pricing approach risks tariff distortions, stifling innovation, and reducing consumer choice outcomes directly contrary to TRAI's stated objectives.

## 7. **Regulatory Intervention Must Not Undermine Sectoral Sustainability**

- a) The regulator must also duly balance consumer interests with the financial health and business viability of telecom service providers. Ensuring adequate returns on investment is essential for the sector to sustain operations, expand networks, and innovate for the future.
- b) Rollout of 5G and the eventual transition to 6G require massive capital expenditure. These investments are feasible only if TSPs earn adequate returns on their deployed capital. Without reasonable profitability, network expansion and densification will inevitably stall.
- c) Therefore, any regulatory intervention must be assessed for its impact on sectoral revenues and investment capacity. Protecting consumer interest alone cannot come at the cost of undermining the very industry that creates digital infrastructure across the nation.

## 8. **Adverse impact on Digital Infrastructure Investment**

- a) India is currently in the midst of a 5G rollout and network densification, both of which require capital-intensive investment in data capacity. Mandating voice-only Special Tariff Vouchers for every validity period—despite the absence of demonstrated consumer demand—would impose an unnecessary regulatory burden on telcos.
- b) Such a mandate could lead to inefficient allocation of resources, as providers would be compelled to design, publish, and maintain product offerings that are unlikely to be adopted by consumers. This would divert attention and resources away from the critical task of expanding and upgrading data networks, particularly in rural and remote areas.
- c) We therefore reiterate that the proposed amendment risks creating an unintended regulatory disincentive for data adoption and investment in next-generation networks such as 6G. By prescribing a parallel product matrix for voice-only plans, the amendment adds complexity without advancing any demonstrated consumer need and goes against the interest of business. In doing so, it could hinder the long-term goal of deepening digital connectivity across the country, without offering any commensurate benefit to the consumers.
- d) **Therefore, it is respectfully submitted that regulatory efforts should, instead of mandating voice-only tariff vouchers, focus on facilitating infrastructure creation in the country. Considering the foregoing, we request the Authority to kindly refrain from intervening in tariff design or mandating specific voucher structures, and to continue with its well-established policy of forbearance, allowing market-driven solutions to continue serving consumer interests effectively.**

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