

**CONSUMER PROTECTION ASSOCIATION
HIMMATNAGAR
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GUJARAT**



Comments on

**DRAFT NOTIFICATION TELECOM CONSUMERS PROTECTION
(THIRTEENTH AMENDMENT) REGULATIONS, 2026**

1. Executive Summary

The proposed amendment represents a necessary regulatory intervention to address a clearly documented implementation gap arising from the earlier framework governing Voice and SMS-only Special Tariff Vouchers (STVs). The Explanatory Memorandum establishes that such STVs were limited in availability, concentrated in longer validity cycles, and initially priced without commensurate reduction following the removal of data services .

While the amendment correctly introduces the principle of **validity parity** and attempts to incorporate **pricing proportionality**, it remains insufficiently defined in its current form. This creates a risk that service providers may comply in form but not in substance, thereby diluting the intended consumer benefits.

This submission supports the amendment in principle but recommends critical refinements to ensure that it achieves its intended objectives of affordability, choice, transparency, and non-discrimination.

2. Context and Consumer Harm

The consultation paper identifies a significant segment of telecom consumers—particularly elderly users, rural populations, low-income households, and feature-phone users—who rely primarily on Voice and SMS services. These consumers typically do not require data services and are highly sensitive to upfront recharge costs.

However, due to limited availability of Voice+SMS-only STVs and their concentration in higher validity periods, these consumers are often compelled to purchase bundled plans that include data services they do not use. This leads to avoidable expenditure and restricts their ability to choose tariffs aligned with their needs .

The situation represents a structural imbalance in tariff design, where the absence of parity between bundled and non-data offerings results in effective exclusion of a vulnerable consumer class from fair market participation.

3. Support for the Amendment

The amendment is conceptually sound and addresses two major deficiencies identified in the previous framework:

- **Choice Architecture Gap:** Voice+SMS-only STVs were offered in limited numbers, while bundled STVs provided a wide range of validity options, creating inequality in consumer choice.
- **Pricing Architecture Gap:** Prices were not reduced proportionately when data services were removed, resulting in inefficient and unfair pricing structures.

By mandating that Voice+SMS-only STVs must correspond to each validity period of bundled STVs and by introducing proportional pricing, the amendment seeks to restore balance and improve consumer outcomes.

4. Detailed Analysis of the Proposed Framework

4.1 Validity Parity

The requirement for validity parity is a critical step toward ensuring equal choice. It allows consumers to select plans that align with their usage patterns and financial constraints. However, parity must extend beyond duration alone. If Voice and SMS benefits are reduced or restricted, the parity becomes superficial.

4.2 Pricing Proportionality

The provision requiring “largely proportional reduction in tariff” is central to the amendment but lacks precision. In a tariff-forgiveness regime, such ambiguity allows providers to determine pricing subjectively, potentially leading to minimal reductions that fail to deliver meaningful affordability benefits.

4.3 Transparency and Availability

Although the Explanatory Memorandum emphasizes the need for visibility and accessibility across customer touchpoints, these requirements are not incorporated into the operative provisions. This creates a risk that plans may exist in theory but remain inaccessible in practice.

5. Structural Loopholes and Associated Risks

The current draft presents several vulnerabilities that may undermine its effectiveness. These are summarized below:

Table 1: Key Loopholes and Risks

Issue	Nature of Risk	Consumer Impact
Pricing ambiguity	Undefined proportionality	Token price reductions
Limited scope (STV-only)	Reclassification into other vouchers	Regulatory circumvention
Validity without utility parity	Inferior voice/SMS benefits	Misleading parity
“Offer” without availability	Hidden or inaccessible plans	Practical denial of choice
Lack of standard disclosure	Non-comparable tariffs	Reduced transparency
Channel-level inconsistency	Retail or third-party omission	Unequal access
Service-area ambiguity	Uneven regional availability	Geographic discrimination

These risks highlight the need for stronger drafting and implementation safeguards.

6. Forward-Looking Recommendations

A balanced regulatory approach must integrate flexibility with enforceability. The following framework is recommended:

Table 2: Integrated Reform Framework

Reform Area	Recommendation	Consumer Benefit
Pricing	Define comparator-based proportional pricing with disclosure	Ensures affordability
Scope	Extend to all prepaid bundles (STV, CV, Plan vouchers)	Prevents loopholes
Availability	Define “offer” as discoverable and purchasable across channels	Ensures access
Transparency	Introduce machine-readable tariff disclosures	Enables comparison
Monitoring	Real-time audits and compliance analytics	Prevents misuse
Competition	Enable MVNO/VNO participation	Enhances affordability
Portability	Ensure tariff parity during switching	Protects consumer freedom
Technology neutrality	Apply across 2G–5G	Future-proofing

7. Transparency and Digital Inclusion

Transparency must evolve from mere publication to **functional accessibility**. Machine-readable tariff disclosures can enable automated comparison tools, reduce search costs, and improve regulatory oversight.

At the same time, digital inclusion measures are essential. Since the target beneficiaries include non-digital users, the regulatory framework must ensure accessibility through:

- USSD-based systems
- IVR platforms
- Retail assistance
- Local language communication

Table 3: Transparency and Inclusion Measures

Measure	Purpose	Outcome
Machine-readable tariff formats	Standardization	Easy comparison
Multi-channel access	Inclusion	Wider reach
Consumer awareness programs	Education	Informed choices
Assisted access (retail/IVR)	Support for non-digital users	Equity

8. Market Fairness and Competition

The amendment must also consider market dynamics. Without safeguards, larger operators may dominate pricing and distribution, limiting the ability of smaller players or MVNOs to offer competitive alternatives.

Ensuring fair wholesale access and enabling MVNO participation can improve competition and lead to better pricing outcomes for consumers.

9. Monitoring, Compliance, and Enforcement

Given the documented implementation gaps in the earlier framework, a proactive monitoring mechanism is essential.

Table 4: Monitoring and Compliance Framework

Mechanism	Function
Real-time tariff verification	Detect missing parity
Mystery audits	Validate ground-level availability
Complaint classification	Identify systemic issues
Refund mechanism	Ensure consumer compensation
Periodic surveys	Measure real-world impact

This ensures that compliance is not merely formal but results in measurable consumer benefit.

10. Future-Proofing the Regulation

The telecom ecosystem is evolving rapidly, with trends such as:

- Network sunsets (2G/3G phase-out)
- Growth of IoT and machine-to-machine connections
- Increasing data-centric market structures

The regulation must therefore remain technology-neutral and ensure that basic connectivity services (Voice and SMS) remain accessible and affordable.

Table 5: Future-Proofing Considerations

Area	Recommendation	Benefit
Technology transitions	Ensure continuity across networks	Prevent exclusion
IoT growth	Preserve human-centric connectivity	Maintain relevance
Market evolution	Guard against data bias	Protect low-usage users

11. Drafting Refinements

To enhance enforceability, the following refinements are recommended:

- Define “offer” as both discoverable and purchasable
- Clarify applicability across all prepaid offerings
- Specify comparator-based pricing methodology
- Mandate machine-readable disclosures
- Embed measurable compliance metrics

12. Conclusion

The proposed amendment is a significant step toward strengthening consumer protection in the telecom sector. It addresses critical issues of affordability, choice, and fairness.

However, without precise definitions, expanded scope, and robust enforcement mechanisms, the regulation risks delivering only partial benefits.

The Authority must ensure that the final framework:

- Eliminates ambiguity
- Closes structural loopholes
- Enables effective monitoring

The objective must be clear:

to move from formal parity to functional parity, ensuring that all consumers—especially the most vulnerable—receive real, measurable, and sustained benefit from the telecom ecosystem.