

Telecom Regulatory Authority of India Notification

New Delhi, the 13th day of June, 2002.

No. 301 -6/2002-TRAI (Econ.)

In exercise of the powers conferred upon it under sub-section (2) of the section 11 of the Telecom Regulatory Authority of India Act, 1997 as amended by TRAI (Amendment) Act, 2000, the Telecom Regulatory Authority of India (TRAI) hereby makes the following order by an amendment to the Telecommunication Tariff Order, 1999 by notification in the Official Gazette, in respect of tariff plans for providing Telecommunication services within India and outside India.

THE TELECOMMUNICATION TARIFF (TWENTY FIRST AMENDMENT) ORDER, 2002 (5 of 2002)

Section I

1. Short title, extent and commencement:
 - (i) This Order shall be called " The Telecommunication Tariff (Twenty first Amendment) Order, 2002".
 - (ii) This Order shall come into force from the date of its publication in the Official Gazette.

Section II

- 2.1 Under Clause 4 of Section III (Forbearance) of the Telecommunication Tariff Order, 1999, the proviso to the said clause is deleted and substituted to read as under;

"Provided that the service provider shall file the tariff plans with the Authority for information and record within SEVEN days from the date of launch of said tariff".
- 2.2 After sub-clause (iv) of Clause 7 under Section III ("Tariffs for Telecommunication Services") of the Telecommunication Tariff Order, 1999, following sub-clauses shall be inserted;
 - (v) All service providers shall pay a fee while reporting any new tariff plan or any changes / modifications in the existing tariff plan of any telecommunication service for approval of the Authority as specified in the "TRAI (Levy of fees and other charges for Tariff Plans) Regulation 2002". However, there shall be no levy of fee on tariff plans in respect of tariffs which have been forborne by the Authority.
 - (vi) All approvals for tariff plans if not implemented shall remain valid for a maximum period of six months from the date of the approval by the Authority. If a plan is not implemented within the timeframe of six months as above it would lapse and would need to be reported afresh for approval.
 - (vii) All service providers shall give an advance notice of not less than 30 days to the Authority and subscribers before terminating an existing tariff plan.
 - (viii) At any given point of time not more than 25 plans shall be on offer by a service provider. This includes both post paid and pre paid tariff plans.
 - (ix) All service providers shall comply with the condition of having not more than 25 tariff plans on offer including post-paid and pre-paid within 90 days from the date of publication of this order in the official Gazette with proper and due notice to the Authority and subscribers.

- (x) All service providers shall at the time of reporting fresh tariff plans provide the following information;
- * Number of tariff plans on offer to subscribers as on (the date of reporting).
- Pre-paid _____ (wherever applicable)
 - Post Paid _____ (wherever applicable)

Section III

The words "as ceiling" appearing under caption Tariff in Schedule V of the Telecommunication Tariff Order, 1999 pertaining to "ISDN Services" shall stand deleted. The following shall be inserted as explanatory notes in Schedule V of the TTO,99;

Explanatory Notes;	
a) Standard Tariff Package	The Standard Package provides ISDN services at the tariffs specified in the schedule.
b) Alternative Tariff Package	Tariff package offered to subscribers in addition to that offered in the Standard Package, as an alternative.

Section IV

This Order contains at Annexure A an Explanatory Memorandum which explains the reasons for this amendment to the Telecommunication Tariff Order, 1999.

By Order,

(Dr. Roopa R. Joshi)
Advisor (Economic)

Annex - A

EXPLANATORY MEMORANDUM

1. Notes on Amendment in Clause 4 of Section III of TTO,99 pertaining to "Forbearance"

1. The Authority is of the view that henceforth "reporting requirement" in respect of tariffs which have been forborne in the Telecommunication Tariff Order, 1999 (TTO,99) will be different from the usual "reporting requirements" prescribed in respect of tariffs which have not been forborne. These are basically value added services in respect of which due to adequate competition, the market forces will regulate the tariff. However, the Authority has decided that all tariffs which have been forborne under TTO, 99 should be reported to the Authority for information and record within SEVEN days from the date of introduction of the tariff plan.

2. Notes on insertion of additional sub-clauses in Clause 7 of Section III of TTO, 99 pertaining to "Reporting Requirement"

1. The Telecommunication Tariff Order, 1999 (TTO,99) under Clause 7 of Section III stipulates the provisions in respect of Reporting Requirement. All service providers shall comply with the Reporting Requirement in respect of all the Tariff Plans and any changes in the existing Tariff Plans before implementation.
2. In the present framework of tariff reporting, service providers are at liberty to file any number of plans (whether intended to be implemented or not) for approval of the Authority. There is also no time limit within which a service provider has to implement a tariff plan approved by TRAI.
3. The Authority has come across instances where operators have misused the flexibility provided in the existing tariff framework. The Authority is of the view that the practice of seeking approvals to a large number of plans some of which are not even implemented, causes avoidable confusion in the minds of subscribers, besides putting needless pressure on the limited human resources of the Authority. Thus the purpose of this amendment to TTO is to avoid undue pressure on regulatory resources and confusion to the subscribers.
4. This Amendment shall be applicable to all telecommunication services which fall under the purview of reporting requirements of TTO, 1999.

3. Amendment in Schedule V of TTO, 99 pertaining to "Tariffs for ISDN Services"

1. The Telecommunication Tariff Order, 1999 (TTO,99) under Schedule V stipulates the ceiling tariffs for ISDN Services.
2. To enable the service providers to offer attractive additional packages to corporate or other high revenue paying subscribers so as to enhance customer base and expand the use of ISDN services, the Authority considers it desirable to allow more flexibility in their tariff and has, therefore, decided to lift ceiling from the tariff for ISDN services.
3. With ISDN services expanding and catering to competitive segments of the market, the Authority has also decided to allow operators greater flexibility to offer alternative tariff packages.

By Order,

(Dr. Roopa R. Joshi)
Advisor (Economic)