

Telecom Regulatory Authority of India

Notification

New Delhi, the 7th day of March, 2006

No. 301-34/2005- Eco. — In exercise of the powers conferred upon it under sub-section (2) of section 11 read with section 11(1)(b)(i) of the Telecom Regulatory Authority of India Act, 1997, the Telecom Regulatory Authority of India (TRAI) hereby further amends the Telecommunication Tariff Order, 1999 as under, namely: -

1. Short title, extent and commencement: -

- (i) This Order shall be called “The Telecommunication Tariff (Forty Second Amendment) Order, 2006” (1 of 2006).
- (ii) This Order shall come into force from the date of its publication in the Official Gazette.

2.1 Under Section III, in clause 7 (Reporting Requirement) of the Telecommunication Tariff Order, 1999, hereinafter referred to as TTO, sub-clause (i) and the contents thereof shall be substituted by the following: -

- “(i) All service providers shall comply with the reporting requirement in respect of tariffs specified for the first time under this Order and also all subsequent changes;

PROVIDED that in respect of tariff plans offered by a telecom access provider to bulk customers, such as corporates, small and medium enterprises, institutions, etc., either in response to a tender process or as a result of negotiations between the access provider and such bulk customer, the reporting requirement as defined in sub-clause (i) of clause 2 shall not apply.

PROVIDED FURTHER that in respect of such tariff plans for bulk customers, all service providers shall, within SEVEN days after the close of every Quarter, consisting of three months, furnish brief details about the number of plans and the bulk customers availing them along with a certification, for information and record of the Authority, to the effect that all tariff plans for bulk customers implemented during the preceding Quarter are consistent with the regulatory principles in all respects which, inter-alia include IUC compliance, Non-discrimination and Non-predation.”

2.2 Under Section III, in Clause 7 (Reporting Requirement) of the TTO, the contents of sub-clause (viii) thereof shall be substituted by the following: -

- “(viii) At any given point of time, not more than twenty five tariff plans shall be on offer by a service provider. This includes both post paid and pre paid tariff plans. This ceiling of twenty five tariff plans shall not be applicable

to tariff plans offered by Internet Service Providers and the tariff plans offered by telecom access providers to bulk customers.”

3. General: -

In case of any doubt with regard to the interpretation of any provisions of this Order, the decision of the Authority shall be final.

This Order contains at Annexure A an Explanatory Memorandum which explains the reasons for this amendment to the TTO.

By Order

(Rakesh Kacker)
Acting Secretary-cum-Advisor(B&CS)

Annexure-A

EXPLANATORY MEMORANDUM

As per the existing provisions of TTO, all tariffs are required to be filed with the Authority for information and record within 7 days from the date of launch. Further, 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.

2. Some Service providers had requested the Authority to keep the tariff plans offered to Corporates and SMEs (Small and Medium Enterprises) outside the purview of the existing ceiling (25) on number of tariff plans and the reporting requirement on the ground that SMEs and Corporates are a category of high profile subscribers who get the best bargain from the service providers.

3. After detailed deliberations and considering the responses received from Telecom access providers and consumer organizations in the limited consultation process, the Authority decided to relax the reporting requirement and ceiling on the number of tariff plans in respect of tariff schemes offered to a bulk customer in response to a tender process or as a result of negotiations between the access provider and such bulk customer. Such tariff plans are in a distinct segment and are unlikely to affect tariff plans offered to individual customers. Excluding such tariff plans from the normal reporting requirement shall have the additional benefit of allowing the Authority to focus more on monitoring tariffs for individual customers, a category that deserves greater attention. With this amendment to the TTO, the requirement of reporting tariff within seven days after implementation shall no longer be applicable in respect of tariff plans offered by access providers to such bulk customers. However, the operators will have to report to the Authority within seven days after close of every Quarter, consisting of three months, brief details about the number of plans and the bulk customers availing them along with a certification to the effect that tariff plans offered to bulk customers during the preceding Quarter are consistent with the regulatory principles laid down by the Authority from time to time.

4. The tariff plans for bulk customers will be outside the purview of current ceiling (25) on the number of tariff plans. However, it may be noted that the aforesaid relaxations will not apply in respect of tariffs offered to individual customers as a part of a group, institution or organization, unless it is offered in response to a tender process or as a result of negotiations between the access provider and the bulk customer and the bills in respect of the plans are in the name of such bulk customer and are actually paid by such bulk customer.

5. The tariff plans offered by Internet Service providers will continue to be exempted from the ceiling on number of tariff plans as conveyed by the Authority earlier vide letter No.301-6/2002-Econ dated 19.09.2002.