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भारत संचार निगम लिमिटेड
(भारत सरकार का उपक्रम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

To,

The Advisor (Finance & Economic Analysis-I),
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan,
JLN Marg, Old Minto Road,
New Delhi -110002

No. BSNLCO-RGLN/3/2021-REGLN dated 25.05.2021

[Kind Attention: Sh. Kaushal Kishore]

Subject: Comments on Consultation Paper on “Validity period of Tariff Offers” released by TRAI on dated 13.05.2021.

With reference to Consultation Paper No. 02/2021 dated 13.05.2021.
The comments from BSNL are as follows:

Question 1: Whether TRAI should intervene in the issue of validity period or allow the same to be under forbearance?

Comments of BSNL : It does not seem appropriate for TRAI to intervene in the issue of validity period as the tariff is under forbearance and tariff decision should be left with TSP which decide their pricing strategy based on requirements of customers. network condition, competition environment and costing.

The present regime of forbearance has led to a very competitive market which frequently witnesses innovations from TSPs in terms of tariff offerings and products. BSNL has STVs and other products with wide range of validity and if there will be demand for any new validity range, BSNL will be more than willing to introduce the same.

Question 2: If the answer to the Question 1 is yes, then whether the TSPs be mandated or merely advised to offer tariff (for PVs, STVs and CVs) for a specified duration?

Comments of BSNL: Not Applicable, in view of comments on Q 1.

Question 3: Whether the period to be specified should be

considered as 30 days or a month with requirement of tariff to be renewed only on the same date of each month or separate tariff offers be mandated for 29/30/31 days in addition to the present practice of offering tariff for 28 days?

Comments of BSNL: For prepaid GSM services, BSNL is already offering prepaid vouchers with the varying validity, including those of 28/ 29/ 30 and 31 days. The prepaid billing systems have been designed to work on the basis of number of days of validity.

Further, considering requirement of tariff to be renewed only on the same date of each month, will make the validity of the voucher variable (28, 29, 30 or 31 days) and such vouchers having validity of variable number of days cannot be technically configured in the present system.

The tariff offered is also based on the costing, so giving this extra day validity will increase the “per day cost of voucher”. This may result in the overall cost escalation to customers as TSPs may tend to calculate on the basis of maximum possible i.e. 31 days.

Question 4: Whether on the lines of a monthly offering, the other periods viz., quarterly, half-yearly and yearly prepaid tariff offerings be mandated or just the monthly offerings be required?

Comments of BSNL: As mentioned in question 4, any attempt to forcefully introduce the monthly, or quarterly or half-yearly voucher will escalate the average cost and hence become counter-productive.

Question 5: If there are any other issues/suggestions relevant to the subject, stakeholders are invited to submit the same with proper explanation and justification

Comments of BSNL : At present, most of the customers, check the “per day price” of the voucher and based on the per day price, the customers take the suitable decision. Further, TSPs use to inform the customers about the end of validity of present voucher 2 to 3 days in advance and customer renew the voucher, if it wants to.

The practice of adding misleading adjectives like monthly/quarterly to STV of 28days/84 days by any TSP can always be treated as 'tariff plan' with "misleading titles" and sufficient provisions exist in Consumer Protection Act, 2019 and relevant TRAI Directions to deal with such malpractices.

Yours faithfully



25.05.2021
(Ved Prakash Verma)
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