

Information Note to the Press (Press Release No.24/2018)

Telecom Regulatory Authority of India

New Delhi, the 16th February, 2018: Telecom Regulatory Authority of India (TRAI) today notified the **“Telecommunication Tariff (63rd Amendment) Order, 2018** on ‘Regulatory Principles of Tariff Assessment’ to ensure Transparency, Non-discrimination and Non-predation in telecommunication services.

2. Above amendments have been issued after a detailed public consultation, beginning with the Consultation Paper on ‘Regulatory Principles of Tariff Assessment’ issued on 17th February, 2017, followed by an Open House Discussion held in New Delhi on 30th May, 2017 and extensive research, *inter alia*, the international best practices. The Authority held a meeting with CEO’s of Telecom Companies on 15th June, 2017 on the issue, *inter alia*, of setting some form of floor price for retail tariff. This was followed by another meeting with the Telecom Service Providers on 21st July, 2017 on the same issue, wherein the majority view was that as of now, TRAI should not undertake fixation of floor price and the IUC should not be taken as a floor for retail tariff. The amendments further clarify and bolster the provisions relating to the regulatory principles of tariff – Transparency, Non-discrimination and Non-predation. Amendments deal with reporting requirements, guiding principles for checking transparency in tariff offers, definition of non-discrimination, adherence to the principle of non-predatory pricing, definition of predatory pricing, relevant market, assessment of significant market power (SMP) and other related provisions.

3. These amendments will be beneficial for the consumers, telecom service providers and the regulator.

4. As such, the transparency in tariff offers will be objectively observed by the telecom service providers vis-à-vis the guiding principles of transparency. Similarly, TRAI will also examine the tariffs of telecom service providers on the

touchstone of accessibility, accuracy, comparability and completeness. It will also take in account whether tariffs are distinct and identifiable, explicit and non-misleading, simple and unambiguous etc. This would ensure transparent offering of telecom tariffs to consumers.

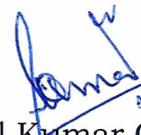
5. Further, the definition of Non-discrimination provides a clear benchmark to telecom service providers to bring tariff offers to consumers on non-discriminatory basis.

6. The amendments relating to the definitions of SMP, Predatory Pricing etc would ensure fair play and healthy competition amongst the telecom service providers. This in turn would result in more 'value for money' for consumers.

7. The amendments provide greater clarity on aforementioned regulatory principles of enabling telecom service providers for designing their tariff in more innovative manner and also smoothly comply with the regulatory principles.

8. The "Telecommunication Tariff (63rd Amendment) Order, 2018" is available on TRAI's website www.trai.gov.in.

9. For any explanation related to these amendments, Shri S. K. Mishra, Principal Advisor (F&EA), TRAI may be contacted on telephone no. 011-23221856 and e-mail: skmishra.trai@nic.in.


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(Sunil Kumar Gupta)
Secretary