



**Telecom Regulatory Authority of India**



**Consultation Paper**  
**on**  
**Review of Telecom Consumers Protection Regulations (TCPR), 2012.**

**New Delhi, 26<sup>th</sup> July 2024**

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Stakeholders are requested to furnish their written comments by 16<sup>th</sup> August, 2024 and counter- comments by 23<sup>rd</sup> August, 2024 to Shri Amit Sharma, Advisor (Finance & Economic Analysis), TRAI. Comments and counter-comments would be posted on TRAI's website [www.trai.gov.in](http://www.trai.gov.in). The comments and counter-comments may also be sent by e-mail to [advfea1@traigov.in](mailto:advfea1@traigov.in). For any clarification/information, Advisor (F&EA) may be contacted at Tel. No. +91 11 20907772.

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## Chapter 1: Introduction

- 1.1 The Telecom Regulatory Authority of India (“**TRAI**”/ “**Authority**”) was established under the Telecom Regulatory Authority of India Act, 1997 (“Act”) to, inter alia, protect the interests of consumers of the telecom sector. To this effect, TRAI has been mandated to regulate tariff for telecommunication sector in India. Section 11(2) of the Act provides,

*"Notwithstanding anything contained in the Indian Telegraph Act, 1885 (13 of 1885), the Authority may, from time to time, by order, notify in the Official Gazette the rates at which the telecommunication services within India and outside India shall be provided under this Act including the rates at which messages shall be transmitted to any country outside India:*

*Provided that the Authority may notify different rates for different persons for similar telecommunications services and where different rates are fixed as aforesaid the Authority shall record the reason therefor."*

Further, Section 11(4) of the Act also mandates that, *"the Authority shall ensure transparency while exercising its powers and discharging its functions."*

- 1.2 The Authority issued the Telecom Consumers Protection Regulations (TCPR), 2012 (2 of 2012)<sup>1</sup> on 6th January 2012 to bring transparency and help consumers understand various tariff plans. These regulations also ensure that consumers receive information after the activation of vouchers. To keep up with changing scenarios and market situations, Telecom Consumers Protection Regulations (TCPR) 2012 has been amended Eleven times since its inception.
- 1.3 The Key definitions of vouchers as outlined under Chapter II (Presentation and Marketing of Vouchers)<sup>2</sup> of the Telecom Consumers

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<sup>1</sup> Source: [https://www.trai.gov.in/sites/default/files/CA\\_06012012.pdf](https://www.trai.gov.in/sites/default/files/CA_06012012.pdf)

<sup>2</sup> Source: [https://www.trai.gov.in/sites/default/files/CA\\_06012012.pdf](https://www.trai.gov.in/sites/default/files/CA_06012012.pdf)

Protection Regulations (TCPR) 2012 are as follows:

**Vouchers**----“(1) Every service provider shall ensure that only the following vouchers are offered or marketed or sold to the consumers, namely: -

- (a) Plan Voucher
- (b) Top Up Voucher
- (c) Special Tariff Voucher
- (d) Combo Vouchers”

*Definition/components of various vouchers:*

**(a) Plan Voucher** means a paper voucher or electronic voucher that enrolls a consumer into a tariff plan.

**(b) Top Up Voucher** means a paper voucher or an electronic voucher providing additional monetary value to the prepaid consumer without any restriction in terms of validity or usage.

**(c) Special Tariff Voucher** means a paper voucher or electronic voucher, which on activation alters one or more items of applicable tariff in the consumer tariff plan for a period not exceeding ninety days in terms of limited or unlimited usage of voice calls, SMS or data but does not provide any monetary value.

**(d) Combo Voucher** means a paper voucher or electronic voucher which on activation alters one or more items, for a period not exceeding ninety days, in the tariff plan of the consumer and adds monetary value to the prepaid account of the subscriber.

- 1.4 The telecommunications sector has undergone remarkable changes, with service providers increasingly offering bundled services, which combine various products such as voice, SMS, data, and digital content into a single package.

## Chapter 2: Scope of Consultation

2.1 Vouchers are essential instruments that provide consumers with access to various telecommunication services, including voice calls, data, messaging, and more. However, the effectiveness and consumer-friendliness of these vouchers can significantly impact user satisfaction and overall experience. In this consultation paper, we delve into several key areas concerning vouchers, aiming to address existing challenges to enhance the consumer experience.

### 2.2 **Choice of Tariff Availability:**

2.2.1 Telecom service providers play a critical role in offering tariff plans that cater to the diverse needs and preferences of consumers. However, there is a growing demand from certain segments of the population from various channels for more specialized tariff options, such as voice and SMS only packs. Despite the prevalence of bundled plans that include both data and voice & SMS services, many consumers find themselves paying for data they do not use.

2.2.2 In this context, TRAI commissioned a consumer survey to find out the consumer preferences on the various tariff offerings. Based on the feedback received from consumer survey, it is noticed that tariff offers available in market are broadly bundled tariff offerings having mix of voice, Data, SMS and OTT services etc. which may not fulfill the requirements of large number of subscribers as all services may not be required by all subscribers and there is a perception that subscribers are being made to pay for services that are not required by them. Besides, there is a perception among consumers that the bundled offerings of telecom services act as a constraint on the choice of subscription of telecom tariff offers by the subscribers.

2.2.3 This consultation paper intends to explore the requirement of introducing product specific (Voice/SMS/Data and combinations thereof) tariff offerings in addition to present tariff offerings and make required changes in the current tariff regulatory framework.

2.2.4 A review of international practices shows that Banglalink, a telecom service provider in Bangladesh, offers voice-only and SMS only packs for their subscribers<sup>3</sup>. Grameenphone, another telecom service provider in Bangladesh also offers voice-only<sup>4</sup> and SMS only packs<sup>5</sup> for different validity periods. Tello, a telecom service provider in United States, offers a tariff plan with custom choice of minute units and free SMS packs for their subscribers<sup>6</sup>. Telenor, a telecom service provider in Pakistan, offers voice-only and SMS-only packs<sup>7</sup>. Ufone, another telecom service provider in Pakistan offers tariffs for voice-only services<sup>8</sup>, and combination of voice and SMS services<sup>9</sup>. NowMobile, a telecom service provider in United Kingdom, offers a combination of voice and SMS services<sup>10</sup>. GOMO by Singtel, a leading telecom service provider in Singapore, offers additional packs for talk time and SMS<sup>11</sup>. These add-on packs are designed for customers who need more call minutes or text messages after their main plan's allowance is used up. This flexibility allows users to customize their service based on their individual needs, ensuring they stay connected without overpaying for features they don't use.

2.2.5 In United states, a survey<sup>12</sup> found that 96% of those aged 18 to 29 own a smartphone compared with 61% of those 65 and older, reflecting a 35-percentage point difference. The trend could be similar in India also. Therefore, introducing voice and SMS only tariff plans in the market could provide more options tailored to the needs of similar consumers.

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<sup>3</sup> Source: Banglalink website - <https://www.banglalink.net/en/prepaid/voice>

<sup>4</sup> Source: Grameenphone website - <https://www.grameenphone.com/personal/plans-offers/offers#voice>

<sup>5</sup> Source: <https://www.allsimofferbd.com/2019/08/gp-sms-pack.html>

<sup>6</sup> Source: Tello website - [https://tello.com/buy/custom\\_plans](https://tello.com/buy/custom_plans)

<sup>7</sup> Source: Telenor Pakistan website - <https://www.telenor.com.pk/post-paid/call-bundles/>

<sup>8</sup> Source: Ufone website - <https://www.ufone.com/offers/>

<sup>9</sup> Source: Ufone website - <https://www.ufone.com/voice-sms-buckets/>

<sup>10</sup> Source: Nowmobile website- <https://nowmobile.co.uk/sim-only-deals/monthly>

<sup>11</sup> Source: GOMO by Singtel website- <https://gomo.sg/idd>

<sup>12</sup> Source: <https://www.pewresearch.org/short-reads/2022/01/13/share-of-those-65-and-older-who-are-tech-users-has-grown-in-the-past-decade/>

### 2.3 **Validity of Vouchers:**

- 2.3.1 Various stakeholders have expressed a strong preference for extending the validity period of Special Tariff Vouchers (STVs) and Combo Vouchers (CVs) beyond the current 90-day limit. This extension would allow for the creation of packages with longer validity periods, addressing the needs of a diverse customer base.
- 2.3.2 A consumer survey to find out the consumer preferences on the various tariff offerings conducted by TRAI has highlighted that subscribers overwhelmingly favour vouchers with extended validity. The primary reason cited by subscribers is the desire to avoid the inconvenience of frequent recharges, which disrupts their service experience and creates unnecessary complexity in managing their mobile accounts.

In the light of the foregoing discussion, the following questions arise for consultation.

#### **QUESTIONS FOR CONSULTATION**

**Question 1: How do current tariff plans offered by telecom service providers align with the preferences and usage patterns of consumers, particularly elderly individuals? Please Justify with rationale.**

**Question 2: Is there a need for separate plans for Voice & SMS and data to meet the specific requirements of subscribers. Please justify with reasons.**

**Question 3: Whether the maximum validity of Special Tariff Vouchers (STVs) and Combo Vouchers (CVs) should be increased? Please Justify your response with reasons.**



## 2.4 **Colour Coding of Vouchers:**

2.4.1 To facilitate easy identification of vouchers by the consumers, a colour band code was introduced on the reverse of the vouchers to distinguish different types of vouchers.

2.4.2 To ensure that subscribers can easily distinguish between different types of Vouchers (Plan Vouchers, Special Tariff Vouchers, Combo Vouchers, and Top-Up Vouchers)<sup>13</sup>, following color-coding system was introduced:

- Red colour band for Paper Plan Voucher
- *Green colour band for Paper Top Up Voucher*
- *Yellow colour band for Paper Special Tariff Voucher*
- *Blue colour band for Paper Combo Vouchers*

2.4.3 With the changing market dynamics, the physical vouchers are on a decline in the market. As a general practice, dealers are also doing recharge online instead of selling physical vouchers. There seems to be a case of revisiting the provision of colour coding of various vouchers.

2.4.4 The need to evolve these practices into digital formats is becoming increasingly apparent. In the digital era, the functionality of colour coding can be seamlessly integrated into electronic systems. Digital colour coding can offer the same benefits as physical vouchers.

In the light of the foregoing discussion, the following questions arise for consultation.

### **QUESTIONS FOR CONSULTATION**

**Question 1: In the current scenario, where dealers are doing recharge of vouchers online instead of selling physical vouchers. How relevant is colour coding of physical vouchers? Please justify with reasons.**

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<sup>13</sup> Source: [https://www.trai.gov.in/sites/default/files/CA\\_06012012.pdf](https://www.trai.gov.in/sites/default/files/CA_06012012.pdf)

**Question 2: Whether colour coding can be introduced in digital mode to enhance consumer convenience and clarity?  
Please justify your response.**

## **2.5 Denomination of vouchers:**

- 2.5.1 The existing policy mandates that only Top-up vouchers are permitted in denomination of ten rupees and multiple thereof, while Special Tariff Vouchers (STV) and Plan Vouchers (PV) cannot be offered in the denomination of ten rupees and multiples thereof<sup>14</sup>. Since Top-up voucher offers only monetary value without any restriction in terms of validity or usage, a differentiation was made to make them distinguishable by subscriber by reserving denomination of rupees ten and multiples thereof for these vouchers.
- 2.5.2 As pointed out by various stakeholders, given the current market dynamics and the recharges of vouchers done through digital mode, there is a case to review that only top-up vouchers are available in denominations of Rupees Ten and multiples thereof while other vouchers are not available in denomination of Rupees Ten and multiples thereof.

In the light of the foregoing discussion, the following questions arise for consultation.

### **QUESTIONS FOR CONSULTATION**

**Question 1: In the present situation where recharge of vouchers is carried out through digital mode, is there any relevance of reserving denomination of Rupees Ten and multiple thereof only for Top up Vouchers. Please Justify with reasons.**

**Question 2: Whether all types of vouchers can be allowed to be offered in any denomination of the choice of service provider?  
Please Justify along with rationale.**

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<sup>14</sup> Source: [https://www.trai.gov.in/sites/default/files/CA\\_06012012.pdf](https://www.trai.gov.in/sites/default/files/CA_06012012.pdf)

### **Chapter 3: Issues for consultation**

**Question 1: How do current tariff plans offered by telecom service providers align with the preferences and usage patterns of consumers, particularly elderly individuals? Please Justify with rationale.**

**Question 2: Is there a need for separate plans for Voice & SMS and data to meet the specific requirements of subscribers. Please justify with reasons.**

**Question 3: Whether the maximum validity of Special Tariff Vouchers (STVs) and Combo Vouchers (CVs) for consumers should be increased? Please Justify your response with reasons.**

**Question 4: Are there specific consumer segments that would benefit from longer validity periods for Special Tariff Vouchers (STVs) and Combo Vouchers (CVs)? Please Justify along with rationale.**

**Question 5: In the current scenario, where dealers are doing recharge of vouchers online instead of selling physical vouchers. How relevant is colour coding of physical vouchers? Please justify with reasons.**

**Question 6: Whether colour coding can be introduced in digital mode to enhance consumer convenience and clarity? Please Justify your response with rationale.**

**Question 7: In the present situation where recharge of vouchers is carried out through digital mode, is there any relevance of reserving denomination of Rupees Ten and multiple thereof only for Top up Vouchers. Please Justify with reasons.**

**Question 8: Whether all types of vouchers can be allowed to be offered in any denomination of the choice of service**

**provider? Please Justify along with rationale.**