



1939, 9th MAIN, 27th CROSS, BANASHANKARI 2nd Stage,
BENGALURU - 560070
Phone: 6364928222
E-Mail : ccsbng@gmail.com
Website: ccsbng.org

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To

**Shri. Amit Sharma,
Advisor (Financial & Economic Analysis),
TRAI,**

Sir,

Subject:- Draft Telecommunication Tariff (Seventieth Amendment) Order, 2024

We are pleased to share our counter comments after perusal of the above order and the comments that were submitted by the various stakeholders, for your kind consideration.

We first provide our counter comments to comments on the PM-WANI program and then on all other issues on which we have opinions.

Thanking you,

Yours Sincerely,

GOPAL RATNAM V
Secretary

Counter Comments on Draft Telecommunication Tariff (Seventieth Amendment) Order, 2024

1. COMMENTS ON PM-WANI PROGRAM

Most of the submissions especially from the TSPs, like Reliance JIO, AIRTEL and others like COAI have mentioned that the PM-WANI is outdated and not necessary. Further, some have also questioned the need for another distribution channel when they argue that there is 98 % overall population coverage. Our experience with subscribers of all the TSPs indicate that there are several significant deficiencies in current telecommunication coverage in the country. Some of them are gaps in the Geographical Coverage, Poor Speed within buildings, Delays in providing new or additional infrastructure. To elaborate further just one of these deficiency, TSPs unable to provide decent coverage in many interior geographical areas and worse are unable to make any time commitment of improving the service. We believe the PDO as envisaged in the program objectives, can a solution to consumers' woes in these situations. We concur with the comments of another stakeholder BIF (Broadband India Forum) which strongly favours the PM-WANI program and also that the business model of the PDO has to be reworked.

We strongly urge the regulator TRAI and the government to continue with the program so that the quality of telecom services to consumers across the country further improves.

The business model of PDOs is a major problem which could be a cause for the slow growth in the numbers of PDOs. However, without any study done on PM-WANI being referenced or nor information being provided with the draft regulations, there is a strong possibility that there could be other causes. This is elaborated later in point 2 (c).

2. OTHER ISSUES/COMMENTS.

- a) **Procedural.** There are concerns expressed by many stakeholders on the process followed by TRAI in issuing the Draft Regulations. It has been a tradition of TRAI to issue a Consultation Paper, sometimes followed by an OHD before finalizing on a policy matter. This approach had earned TRAI a well regarded status at the National and International levels. We agree with the other stakeholders that it would have been better to follow the traditional approach for this order too, to ensure transparency and trust among the stakeholders. This could have provided an opportunity to convince those opposing this draft regulation, that the PM-WANI program would enlarge the market overall and lead to better consumer experience, more data consumption and higher satisfaction. Further this would lead to increase in growth of small business generating further revenues.

Adherence to transparent procedures would enhance the regulator's moral authority, ensure buy-in by the affected parties and avoid unnecessary hurdles.

- b) **Lack of Clarity.** Again some of respondents have brought out the ambiguous nature of the order. Our reading of the order also leads us to interpret the orders in multiple ways. This lack of clarity could lead to disputes and adjudication. Intervention in the market especially on the issues related to distribution channels without proper consultation and also without building some consensus on the solutions could have bad experience for all the participants in the sector. Here we draw the attention of the regulator TRAI to the controversies still plaguing the TV broadcasting sector since its intervention. Though the action was initiated to ensure consumer benefits and it did result in savings for consumers it is still uneven in its impact. The roll out was beset with problems and even today there are disputes among the stakeholders. Further, consumer still face mis-selling, mis-information and overcharging especially in the rural areas, with the quality of service still poor.

The order could be have been better formulated and clearly drafted to avoid confusion and delay in its implementation.

- c) **Lack of information.** As there has been no consultation paper stakeholders are unable to respond with comments in logical manner or with data to support their stance. The fact that the order focus on the cost of connection, leads to conclude that the TRAI feels that this is the sole problem with PM-WANI program and by offering the connection at the FTTH rate would ensure that the targets set by the Government would be achieved. Such an limited analysis of the issue could lead erroneous conclusions and partial solutions not holistic. We urge that TRAI bring out a consultation paper to ensure that such eventuality does not happen. This is also necessary as Reliance JIO has in its comments mentioned that the PDOs would have windfall gains. This would be to the detriment of the consumers.

We have observed in the past that since it is the responsibility of the regulator for the orderly growth of the Industry and also ensure that rights of the consumers are safeguarded, it should initiate action to collect updated and relevant information on the issues which being regulated so that stakeholders especially consumers are better informed and policies being drafted are guided by data. Efficacy of policy and its implementation can also be better monitored and analysed.

We suggest that with sufficient funds available with CUTCEF, TRAI should utilise it to support studies by academia and consumer organisations to gather and collate data that impact on the consumer.

GOPAL RATNAM V
Secretary
Consumer Care Society