

To,  
Shri RAJ PAL, Advisor (Economic Regulation),  
Telecom Regulatory Authority of India,  
Mahanagar Doorsanchar Bhawan,  
Jawahar Lal Nehru Marg, New Delhi-110 002.

Subject: COMMENTS ON REVIEW OF THE EXISTING REGIME OF TARIFF FORBEARANCE AND THE DESIRABLE TARIFF REGIME FOR DATA SERVICES

We at VOICE as part of our advocacy initiative in Telecommunications continuously raise different issues with Policy makers impacting consumers based on the knowledge through Consumer feedbacks. We also publish a magazine "CONSUMER VOICE" for consumer empowerment. As registered CAG with TRAI we are in forefront of providing inputs to TRAI related to consumer concerns and interests.

In continuation of these efforts from VOICE, we hereby submit our comments on THE EXISTING REGIME OF TARIFF FORBEARANCE AND THE DESIRABLE TARIFF REGIME FOR DATA SERVICES as under-

1 Do you perceive any need for a change in present regulatory framework for telecom tariff fixation?

VOICE COMMENT: In view of Supreme Court decision canceling 122 Telecom licenses, the number of operators in each circle has reduced thereby providing undue competitive and resultant pricing power advantage to the incumbent operators. In this scenario it is desirable that Policy of Forbearance in Telecom Tariffs is withdrawn till new licenses are issued.

Specifically as regards TARIFF REGIME FOR DATA SERVICES, irrespective of level of competition, there is rampant overcharging, misrepresentation and numerous complaints regarding data services AND the TARIFF is very high. So the answer to this question is-

YES, PRESENT REGULATORY FRAMEWORK FOR TELECOM TARIFF FIXATION SHOULD BE CHANGED.

2 Should TRAI withdraw from the policy of forbearance?

VOICE COMMENT: YES, TRAI SHOULD WITHDRAW THE POLICY OF FORBEARANCE.

3 If yes, what should be the basis of tariff regulation? Should it be by way of specifying a standard tariff package or by way of fixing tariff as

a ceiling for individual charging components such as calls, SMS, etc?  
Please also suggest the methodology.

VOICE COMMENT: BASIS SHOULD BE BY FIXING CEILING FOR INDIVIDUAL CHARGING COMPONENTS AS WELL AS FEW POPULAR STANDARD TARIFF PACKAGES. POPULAR PACKAGES CAN BE CHOSEN STATISTICALLY FROM DATA TO BE PROVIDED BY OPERATORS.

FOR FIXING CEILING FOR INDIVIDUAL CHARGING COMPONENTS base rates prevailing prior to the cancellation of licenses SHOULD BE CONSIDERED WHICH BEST REFLECT THE FULL IMPACT OF COMPETITION DRIVING MARKET GROWTH AND PENETRATION.

HOWEVER ALL DATA TARIFFS SHOULD BE FULLY DEFINED AS TO THE SPEED AND MAXIMUM PRICE PER MB.

4 Would tariff regulation affect the ability of the telecom service providers to introduce innovative tariff plans?

VOICE COMMENT: NO, TARIFF REGULATION WILL HAVE NO IMPACT ON TELECOM SERVICE PROVIDERS' ABILITY TO INTRODUCE INNOVATIVE TARIFF PLANS. TARIFF REGULATION WILL ONLY SET AN UPPER LIMIT UNDER WHICH SERVICE PROVIDERS WILL HAVE TO DESIGN THEIR TARIFF PLANS.

5 What would be the best method of managing the telecom tariffs so as to protect consumer interest even while affording the telecom service providers the necessary flexibility?

VOICE COMMENT: FIX CEILING FOR INDIVIDUAL CHARGING COMPONENTS AS WELL AS FEW POPULAR STANDARD TARIFF PACKAGES. LET SERVICE PROVIDERS DESIGN ADDITIONAL TARIFF PLANS WHICH CAN BE KEPT UNDER FORBEARANCE.

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