

Telecom Regulatory Authority of India
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**TRAI Notifies Tariff Order to Improve Conditions For Pre-paid
Subscribers And To Amend Reporting of Tariffs**

TRAI today notified the 30th Amendment to the Telecommunication Tariff Order (TTO) 1999 specifying that:

- (a) It will be mandatory that incoming voice calls / SMS etc. shall continue to be available to the Pre-paid subscribers during the entire validity period even after the talk time value is exhausted.
- (b) Service providers may implement tariffs in the market after a self-check with regulatory principles without prior reporting / approval of their tariff plans by Authority; the tariffs have to be reported within 7 days of implementation.

A. Augmentation of benefits applicable to Pre-paid subscribers.

1. The Authority had received number of complaints from subscribers that Incoming calls / SMS facility is stopped within the validity period once the talk time becomes "nil". The Authority has viewed this seriously. The Authority noted that while paying the "Processing Fee" to purchase additional value of "talk time", the pre-paid subscriber has the right to remain connected for a specified period i.e. the validity period. The Authority is of the view that during the validity period the subscriber should remain connected to avail all services which do not have a bearing on the talk value.
2. The Authority has, therefore, decided that all services which do not affect "talk time value" including incoming voice calls / SMS, shall continue to be available to the Pre-paid subscribers during the entire validity period even after the talk time value is exhausted.

B. Amendment in provisions relating to reporting requirement of tariff plans to the Authority.

1. The Telecommunication Tariff (27th Amendment) Order, dated 25.04.2003 stipulates that all service providers shall file their tariff plans at least FIVE working days prior to its launch in the market. However, in view of the review of the IUC Regulation by the Authority, a Self-Check regime was specified under which service providers were asked to implement the tariff plans after conducting a Self-check of their tariffs with the regulatory principles including tariff being IUC Compliant.

2. The Authority has now notified a revised IUC Regulation, 2003 dated 25.11.2003. Furthermore, the price developments of Voice-telephony show that there is intense competition in the market and tariffs are witnessing a downward trend. The Authority is of the view that current declining tariff environment is an ideal time to switch over from an Ex-ante tariff regulation to Ex-post tariff regulation.
3. The Authority has already laid down broad regulatory principles applicable to tariffs. Further the Authority has already forborne with respect to the main tariff items in Cellular and Basic services (except rural subscribers tariff & roaming tariffs). The Authority has, therefore, decided to allow flexibility to all telecom service providers to report their tariff plans to the Authority within 7 days from the date of implementation after conducting a Self-check to ensure consistency of the tariffs with the relevant regulatory principles which inter-alia include Tariffs being IUC Compliant, Non-discriminatory and Non-predatory.
4. The Authority will, however, exercise its powers to address cases of violation of regulatory principles.

For more details please visit TRAI's website: www.trai.gov.in