

Comments on consultation paper on Certain Issues relating to Telecom Tariffs

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1) What, according to you, are the challenges which Indian telecom subscribers face while understanding and choosing the tariff offers?

The challenges which Indian customer face while understanding and choosing tariff orders are :

- a) Telecom market in India is flooded with different kinds of Tariffs plans which seems different but are actually similar in most cases . Introduction of special tariff vouchers has made situation even more complex . An average of 220 tariff plans are available in the market in each circle . so its not possible for even retailers to know all tariff plans leave the case of customers . Even if information is available its not easy to decide considering so many tariff plans . What more , some companies have introduced concept of every day new plan and hence added more confusion .
- b) Most Tariff plans offered are complex in nature and difficult to understand.
- c) The retailers and company agents are not well informed .
- d) Information about all the tariff plan is not available under one roof .

2) What according to you are the required measures to further improve transparency in tariff offers and facilitate subscribers to choose a suitable tariff plan?

- a) The cap on maximum number of tariff plan which is 25 at present, should be brought down to avoid confusion . Every tariff plan should be fixed for a minimum period of 1 year . Every year during a particular duration tariff change should be allowed . During this time all operators can revise their tariff plans . Information on latest tariff of all the companies should be widely available , specially at all the point of selling and it should be binding.
- b) The SIM card is available on every nooks and corners n , so its not expected that they will be able to educate the customer enough , so this should be the job of telecom service provider to open more no of company owned outlet , based on the predefined no of subscriber or geography . The education level of the executives should be kept minimum graduation.

- c) Once a particular plan is chosen by any customer , it should be binding on the operator for at least one year .
- d) Free SIM as promotional scheme should be discouraged , as it attracts the customer initially and later on they feel cheated when start using it.
- e) Like post paid category prepaid customer should get call detail and amount charged detail so that he can know the expenditure and can book complain if there is any kind of anomaly.

- 3) **Do you think mandating “One Standard Plan for All Service Providers” particularly for the prepaid subscribers as suggested by some consumer organizations would be relevant in the present scenario of Indian telecom market?**

This idea will take away the opportunity for innovation and against the spirit of competition . It will also bring inefficiency into the system . The idea should be that tariff whatever it is , should come to the customer in a fair manner . If, some telecom operator is able to sustain with an attractive and better offer he should be allowed to do so .

- 4) **Do you think the existence of large number of tariff plans and offers in the market are beneficial for the subscribers?**

Though it looks good to have so many choices available to the telecom consumers but it is not so . Its often used to mislead the consumer through attractive ads . In most cases different tariff offerings are found similar though presented by service provider as different . Now the new customer addition will be mostly in rural areas , and India consumer in the present situation is not ready for such large numbers of tariff plans keeping in view the education level of mass . Indian customer needs simple tariff plans which is easy to understand .

- 5) **In your opinion is it necessary to revise or reduce the existing cap of 25 on the number of tariff plans on offer? If so, what would be the appropriate number?**

It should be limited to 5 and should be valid for minimum one year . It can be

- a) With special Local call rate
- b) With special STD call rate
- c) With special ISD call rate
- d) With special SMS rate
- e) With special roaming charges

This should be common for pre paid and post paid category . If operator feels that post paid customer are high value customer and they need special treatment , then it can be in the form of discounts for higher usage .

Special tariff package should be only to avail the service offered under other category . e.g. if one customer has chosen plan (a) and for some time he wants to use more STD, through some tariff pack he should be offered the benefit of plan (b)

The companies who operates in CDMA as well as GSM technology , tariff plan offered should be similar under both categories and it should be limited to 5 only .

Most of the pre paid plans offered by all service provider are either available in the form of life time plan only or tariff rate difference has become negligible for both type of services. So only two types of category should be there pre paid as life time plan and post paid.

- 6) **Should there any limit be prescribed on the rates for premium rate SMS and calls? If so, what should be the norms for prescribing such limit?**

No , there can be different business models for which companies may charge premium rates . It is meant for select class of people . so the main concern should be to save the interest of those customer who are not intent to use such services .

- 7) **If not, what further measures do you suggest to improve transparency in provision of the premium rate services to prevent the instances of subscribers availing such services without understanding financial implications thereof?**

To improve transparency , the best way is to tell consumer the financial implication of the service before using it .It can be made to work in two ways:

- a) Special no. series should be given to both voice as well as SMS premium rate services
- b) i) Before starting voice call customer should get warning about the rate of the services .
ii) warning should be given during SMS sending and final confirmation should be taken after conveying the rate applicable and before sending it .

- 8) **Do you think there is sufficient justification to allow the service providers to realign the ISD tariff in respect of existing lifetime subscribers in view of the grounds mentioned in their representations?**

Market condition may change over a period of time specially external factors like termination charge levied by foreign operators , on which Indian telecom operator have little control in the purview of existing regulations .So no one including telecom operator should be in disadvantageous position so it should be allowed to realign it offered tariff in the regular interval . But to safe guard customers this interval should be minimum one year .

- 9) **What measures do you think are necessary to improve transparency and to prevent instances of un-intended recharges by subscribers in situations of cross-restrictions of recharges?**

Proper information should be passed on to the customer . If there will be information available this type of problem doesn't arise. So first thing is transparency and complete information available to the customer . Its quite obvious that every benefit can not be passed on to each category of the customers but customer should have knowledge of this while opting for a particular tariff plan .

- 10) **Considering the nature and structure of the prevailing tariff offerings in the market and advertisements thereof, do you think there is a need for TRAI to issue fresh regulatory guidelines to prevent misleading tariff advertisements?**

yes its required . Last time it was done in the year 2006. After that a lot of changes has happened . Number of telecom service provider as well as customer has gone up drastically. Competition has gone up so are the misleading ads by marketers . Though consumer forums are available they are not able to resolve disputes other than mobile post paid , Landline and broadband for which documentary proof in the form of bill is available . Pre paid call and amount charged is not made available by any telecom operator even on demand so even consumer forum are not able to curb the malicious intention of service operator So there is urgent need of modification in the tariff regulation

11) **Do you agree that the instances of 'misleading' tariff advertisements listed in this paper adequately capture the actual scenario in the market? If not, provide specific details.**

a) There is a flaw in the idea of capping on the number of tariff plans offered as 25, as authority has taken into consideration different technologies such as GSM, CDMA, Landline separately. However, each technology is meant for the same purpose, i.e., telecom service. For a customer, how one technology is different from another. So these should be treated as one. The company like Tata, RCOM, BSNL, MTNL, Bharti provides telecom services using technology more than one. So for some companies, this offering goes even to a level of 75, which is not justified in any case.

b) The idea of a life-time plan needs to be evaluated in today's scenario. Every operator is charging 200 Rs for a validity of 6 months. So it costs 33 Rs/month. Again ARPU is in the range of 150 Rs, so straight away it can not be said that it is only the cost of continuing service. It is in the interest of the telecom operator to keep alive the number in the race of increasing subscriber base. It has resulted into multiple SIM use by the customer because SIM is available almost free. So the exit barrier made by operators is unjustified in the name of concessional services.

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