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PART III, SECTION 4

**TELECOM REGULATORY AUTHORITY OF INDIA**  
**NOTIFICATION**

NEW DELHI, THE 6<sup>th</sup> JANUARY, 2012

**No. 308-5/2011-QOS-----**In exercise of the powers conferred upon it under section 36, read with sub-clauses (i) and (v) of clause (b) of sub-section (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), the Telecom Regulatory Authority of India hereby makes the following regulations namely: -

**TELECOM CONSUMERS PROTECTION REGULATIONS, 2012**  
**(2 OF 2012)**

| <b>CHAPTER I</b><br><b>PRELIMINARY</b>                                                                                                                                                                                                                                                                      |
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| <b>1. Short title, commencement and application----</b> (1)These regulations may be called the Telecom Consumers Protection Regulations, 2012.                                                                                                                                                              |
| (2) They shall come into force from the date of their publication in the Official Gazette.                                                                                                                                                                                                                  |
| (3) These regulations shall apply to all service providers [including Bharat Sanchar Nigam Limited and Mahanagar Telephone Nigam Limited, being the companies registered under the Companies Act, 1956 (1 of 1956)] providing,--<br>(i) Unified Access Services;<br>(ii) Cellular Mobile Telephone Service. |
| <b>2. Definitions.-----</b> In these regulations, unless the context otherwise requires,-                                                                                                                                                                                                                   |

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| (a) “Act” means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| (b) “Authority” means the Telecom Regulatory Authority of India established under sub-section (1) of section 3 of the Act;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p>(c) “Cellular Mobile Telephone Service” -</p> <p>(i) means telecommunication service provided by means of a telecommunication system for the conveyance of messages through the agency of wireless telegraphy where every message that is conveyed thereby has been, or is to be, conveyed by means of a telecommunication system which is designed or adapted to be capable of being used while in motion;</p> <p>(ii) refers to transmission of voice or non-voice messages over Licensee’s Network in real time only but service does not cover broadcasting of any messages, voice or non-voice, however, Cell Broadcast is permitted only to the subscribers of the service;</p> <p>(iii) in respect of which the subscriber (all types, pre-paid as well as post-paid) has to be registered and authenticated at the network point of registration and approved numbering plan shall be applicable;</p> |
| (d) “consumer” means a consumer of a service provider to whom these regulations apply and includes its customer and subscriber;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| (e) “Consumer Care Number” means a telephone number earmarked by the service provider to access its Complaint Centre;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| (f) “electronic voucher” means a voucher in electronic form;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| (g) “Licence” means a licence granted or having effect as if granted under section 4 of the Indian Telegraph Act, 1885 (13 of 1885) or the provisions of the Indian Wireless Telegraphy Act, 1933 (17 of 1933);                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| (h) “monetary value” means the amount in rupees available to the prepaid consumer through the “Top Up Voucher”;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| (i) “paper voucher” means a voucher in the printed form;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| (j) “Plan Voucher” means a paper voucher or electronic voucher that enrolls a consumer into a tariff plan;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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| (k) "Premium Rate Service" or "PRS" means service for which charges are levied at rates higher than the rates applicable to the consumer as per his tariff plan;                                                                                                                                                                                                                                                                                                                                                                                                                     |
| (l) "regulations" means the Telecom Consumers Protection Regulations, 2012;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| (m) "service provider" means a licensee to whom these regulations apply;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (n) "SMS" means a message which is sent through short message service and includes a Multi Media message which is sent through Multi Media message service (MMS);                                                                                                                                                                                                                                                                                                                                                                                                                    |
| (o) "Special Tariff Voucher" or "STV" 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;                                                                                                                                                                                                                                                  |
| (p) "Start-Up Kit" or "SUK" means a kit or a packet containing items specified under sub-regulation (1) of regulation 3;                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (q) "Tariff(s)" mean(s) rates and related conditions at which telecommunication services within India and outside India may be provided including rates and related conditions at which messages shall be transmitted to any country outside India, deposits, installation fees, rentals, free calls, usage charges and any other related fees or service charge;                                                                                                                                                                                                                    |
| (r) "tariff plan" means the details of tariff applicable to all the telecommunication services offered by the service provider under a given plan;                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| (s) "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;                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>(t) "Unified Access Services" - </p> <p>(i) means telecommunication service provided by means of a telecommunication system for the conveyance of messages through the agency of wired or wireless telegraphy ;</p> <p>(ii) refers to transmission of voice or non-voice messages over Licensee's Network in real time only but service does not cover broadcasting of any messages, voice or non-voice, except, Cell Broadcast which is permitted only to the subscribers of the service;</p> |

(iii) in respect of which the subscriber (all types, pre-paid as well as post-paid) has to be registered and authenticated at the network point of registration and approved numbering plan shall be applicable;

(u)“Value Added Services” means services which are offered to add value to the core services, the core services being voice calls, voice or non-voice messages and facsimile transmission;

(v) “voucher” means a card or a coupon in printed or electronic form, which is offered, marketed and sold by a service provider to consumers for adding monetary value to the pre-paid account or for altering one or more items of applicable tariff for a pre-defined period or for subscription to a tariff plan;

(w) all other words and expressions used in these regulations but not defined, and defined in the Act and the rules and other regulations and tariff orders made there under, shall have the meanings respectively assigned to them in the Act or the rules or other regulations or tariff orders, as the case may be.

## CHAPTER II

### PRESENTATION AND MARKETING OF VOUCHERS

**3. Start-up Kit.**---(1) Every service provider shall, within **forty five days** from the date of issue of these regulations, ensure that a Start-Up Kit is provided to consumers at the time of enrolment into the network, containing, *inter alia*,---

(a) SIM card, if applicable;

(b) a mobile number, in cases where the subscriber is enrolled other than through mobile number portability;

(c) information about the type of connection- prepaid or post-paid;

(d) information about Customer Care Number and General Information Number as specified under regulations 3 and 4 of the Telecom Consumers Complaint Redressal Regulations, 2012;

(e) abridged version of the **Citizen's Charter**, specified under regulation 17 of the Telecom Consumers Complaint Redressal Regulations, 2012.

(2) The Start-Up Kit shall not contain any Plan Voucher or Special Tariff Voucher.



**4. Vouchers----**(1) Every service provider shall, within **forty five days** from the date of issue of these regulations, ensure that only the following vouchers are offered or marketed or sold to the consumers, namely:-

- (a) Plan Voucher;
- (b)Top Up Voucher; and
- (c)Special Tariff Voucher;

*Provided that* the Authority may specify any other category of vouchers.

(2) Every service provider shall ensure that ----

(a) a Plan Voucher ---

- (i) is used only to enrol a consumer into a tariff plan;
- (ii) does not provide any monetary value;
- (iii) if offered in the form of paper voucher, the information about the tariff plan is printed in font size of not less than eight points;

(b) a Top Up Voucher ---

- (i) offers only monetary value expressed in rupees;
- (ii) does not have any restriction on its validity or usage;
- (iii) if offered in the form of paper voucher, the information about the Maximum Retail Price (MRP), processing fee, applicable tax and net value available to the consumer is printed in font size of not less than eight points;
- (iv) does not contain any administrative or processing fee beyond the ceiling specified by the Authority;

(c) a Special Tariff Voucher ---

- (i) clearly indicates the plan to which it is applicable;
- (ii) clearly indicates the tariff for different items;
- (iii) clearly indicates the validity period of the voucher;
- (iv) is offered on a standalone basis and does not provide any additional monetary value to the consumer; and
- (v) if offered in the form of paper voucher, information about the features, including activation restrictions, are printed in font size of not less than eight

points.

(3) Every service provider shall ensure that Plan voucher and Top Up Voucher are marketed only as 'Plan voucher' and 'Top Up Voucher' respectively, whereas the Special Tariff Voucher can be marketed under any name of its choice.

**5. Colour band on paper vouchers----**(1) Every service provider shall, within **forty five days** from the date of issue of these regulations, ensure that for easy identification by the consumers, paper vouchers are printed in the following colour band :-  
(a) red colour band for Plan Voucher;  
(b) green colour band for Top Up Voucher; and  
(c) yellow colour band for Special Tariff Voucher.

(2) Every service provider shall print the colour band specified in sub-regulation (1), on the reverse side of the paper voucher, horizontally stretching from one end to the other end in a clearly visible manner.

### **CHAPTER III**

#### **INFORMATION TO CONSUMERS**

**6. Information to pre-paid consumers on activation of a voucher.----** Every service provider shall, within **forty five days** from the date of issue of these regulations, immediately on activation of a voucher, provide through SMS to the pre-paid consumer the following information :-

(a) on activation of Plan Voucher:-

- (i) title of the plan ; and
- (ii) validity period of the plan;

(b) on activation of Top Up Voucher:-

- (i) total amount charged;
- (ii) processing fee or administration charge as the case may be;
- (iii) taxes deducted;
- (iv) net monetary value added; and
- (v) total available monetary value;

(c) on activation of Special Tariff Voucher:-

- (i) total amount charged;
- (ii) validity period of the voucher; and
- (iii) benefits specific to the voucher.

**7. Information to pre-paid consumers relating to usage.**--- Every service provider shall, within **forty five days** from the date of issue of these regulations, immediately on making any deduction from the account of a pre-paid consumer, provide through SMS, the following information:-

- (a) after every call, --
  - (i) duration of the call;
  - (ii) charges deducted for the call;
  - (iii) balance in the account; and
  - (iv) in case of Special Tariff Voucher, minutes of usage deducted and balance minutes of usage available;
- (b) after every session of data usage over mobile, ---
  - (i) quantum of data usage;
  - (ii) charges deducted; and
  - (iii) the balance in the account;
- (c) after activation of any service including Value Added Service, --
  - (i) amount deducted;
  - (ii) purpose for which the amount has been deducted;
  - (iii) balance in the account; and
  - (iv) the validity period of the Value Added Service.

*Provided that* the provisions of this regulation shall not apply to a consumer if he is outside his service area.

**8. Past Usage details in respect of pre-paid mobile connections-**

---Every service provider shall, within **forty five days** from the date of issue of these regulations, on request from any prepaid consumer, provide to such consumer at reasonable cost, within a time period of thirty days of receipt of such request, information relating to

- (a) itemized usage charge for all calls;

- (b) number of SMS sent and the amount charged for such SMSs;
- (c) Value Added Services availed and the amount charged for such service;
- (d) Premium Rate Service availed and the amount charged for such service;
- (e) roaming charges;

*Provided that* it shall not be obligatory on the part of the service provider to provide information for any period beyond the period of six months preceding the date of request.

*Explanation:-* For the purposes of this regulation, “reasonable cost” means charges not exceeding rupees fifty or charges payable by the post paid consumers of the same service provider for obtaining similar information, whichever is lower.

## **9. Establishment of facility for providing information about the account of the consumer ----**

Every service provider shall, within **forty five days** from the date of issue of these regulations, establish or allot a separate toll free short code to enable the consumers to seek, through SMS, the following information:-

- (a) tariff plan opted by the consumer including,--
  - (i) rates for local and long distance (STD) calls, and differential charges, if any, applicable for on-net and off-net usage;
  - (ii) rates for SMS;
  - (iii) rates for data service;
- (b) balance available in the account of the pre-paid consumer; and
- (c) Value Added Services activated on his telephone number;

*Provided that* it shall not be obligatory on the part of the service provider to provide information to a consumer who is roaming outside the country.

## **10. Premium Rate Service and Value Added Service ----(1)**

Every service provider providing or giving access to a Premium Rate Service shall ensure that the rate of such call is conveyed to the consumer through a voice alert prior to the materialisation of the call;

*Provided that* the voice alert shall be in English and the local language of the service area.

(2) Every service provider shall, on activation of a value added service, inform the consumer, through SMS, the validity period of such service, the charges for

renewal and the procedure for the consumer to unsubscribe from the service.

**(N. Parameswaran)**

**Secretary-in-charge**

**Note-----** The Explanatory Memorandum explains the objects and reasons of the Telecom Consumers Protection Regulations, 2012.

## **Explanatory Memorandum**

1. The fast growth of mobile subscribers, increasing telecom penetration in rural and remote areas and launch of innovative value added services by service providers underline the continued need to protect the interest of consumers. As part of its sustained efforts to address the needs of the consumers, TRAI had initiated a consultation process to review various measures already in place and to evolve appropriate further measures to safeguard the interest of consumers by issuing a Consultation Paper “Review of Measures to Protect Interest of Consumers in the Telecom Sector” on 2<sup>nd</sup> August, 2010. Comments were received from various stakeholders and these were uploaded on TRAI website.

2. Notwithstanding the several steps taken in the past by TRAI with a view to enhance transparency in tariff offers, the Authority continues to receive complaints and representations from consumers and their representatives allege lack of effective transparency and resultant confusion for subscribers due to the multiplicity of tariff plans of various nature available in the market. In order to further improve transparency, TRAI had issued a Consultation Paper on “Certain issues relating to Telecom Tariff” on 13.10.2010 seeking the comments of stakeholders on various issues including protection of consumer interests. Comments received from various stakeholders were uploaded on TRAI website. Open House Discussions on both the consultation papers were held at five locations –Jaipur, Mumbai, Chennai, Lucknow and Kolkata.

3. Certain important issues relating to information to be provided immediately on completion of call to prepaid subscribers, information to be provided after recharging a prepaid connection, information about itemized usage charges on request, challenges faced by subscribers in understanding tariff plans and measures required to improve transparency were raised during the consultation process. Based on the comments received during public

consultation and keeping in view the interests of telecom consumers and service providers, the Authority had prepared a draft Telecom Consumers Protection Regulations, 2011, which was published on TRAI website on 04<sup>th</sup> July, 2011. These Telecom Consumers Protection regulations are finalised after consideration of the comments received on the draft regulations. The salient provisions of these regulations are discussed below:

### **Provisions Relating to Vouchers**

4. The Consultation Paper on 'Certain issues relating to Telecom Tariff' had inter-alia sought the comments of stakeholders on various challenges faced by prepaid subscribers and also on measures to enhance the transparency in service provision. Some of the stakeholders had suggested standardisation of tariff plans and various vouchers (recharges) offered in the market.

5. The Authority analysed the situation prevailing in the market in the light of comments received during the consultation process. On account of increased competition, the service providers offer a large number of Special Tariff Vouchers (STV). The components of these vouchers vary vastly. At present, often Top Up vouchers besides providing monetary value, also contain certain other benefits like – night minutes, free SMS, on-net minutes etc. Sometimes, these extra benefits, which may also restrictions, are not of any use to the prepaid consumers purchasing the top up voucher. Marketing of such products is not done in a fully transparent manner resulting in some consumers buying the Top Up voucher without knowing the inherent restrictions. As a result, the consumer is not able to make effective use of the extra benefits despite paying an extra cost in lieu of such benefits. He, therefore, ends up having to forfeit some monetary value after expiry of the prescribed validity period for the extra benefits of which he may not be aware. A large number of prepaid consumers being of average or below average income, loss of any monetary value causes distress. This issue therefore,

assumes importance from the perspective of transparency to consumer protection.

6. In view of the above situation prevailing in the market, and in the interest of consumers, the Authority has decided to streamline and standardise the vouchers offered by the Service Providers, so as to provide clarity and transparency and help the consumers in better understanding the nature of various vouchers.

7. Additionally, through these regulations, the Authority has mandated that at the time of enrolling a new subscriber, the service providers shall provide him a Start-Up Kit (SUK) containing, among others, the SIM card, where such connection is intended to be provided through a SIM, mobile number (if the customer is not enrolled through mobile number portability), the monetary value available, if any, information about type of connection viz. post-paid or pre-paid connection, information about Customer Care Number and General Information Number and a copy of the abridged version of the Citizen's Charter for Consumers' Education. The Customer Care Number and General Information Number as well as the Citizen's Charter have been mandated under the Telecom Consumers Complaint Redressal Regulations, 2012. Henceforth, the Start-Up Kit will not have a tariff plan.

8. A person who intends to take a new connection need to activate a **Plan Voucher** for enrolling into a tariff plan. The Plan voucher does not add any monetary value to the subscriber's account. Similarly, an existing consumer who wants to change his tariff plan to another tariff plan on offer also has to activate a Plan Voucher for the purpose. Once enrolled into the network of a service provider and having subscribed to a tariff plan, the next requirement of a prepaid consumer is limited to acquiring additional monetary value by way of buying a **Top Up voucher**. The Top up voucher adds monetary value in rupees to the subscriber's account and can be used as per the convenience of the

consumer, without any restriction in terms of validity period or usage. The Top Up Voucher shall contain only monetary value and no other benefit. Further, no other Voucher, namely, STV and Plan Voucher shall add any monetary value component to the subscriber's account.

9. The **Special Tariff Vouchers** (STVs) are intended to provide tariff benefits to the subscriber who desires to avail of the benefits of the STV altering one or more of the tariff components. It is open to a subscriber to purchase a STV at any time to avail of any benefits that the service provider may offer. But, the STV will not have the effect of adding monetary value available to the subscriber's account. The STV having a time limit, not exceeding 90 days, has necessarily to be used within the stipulated time failing which the balance available in the STV will lapse. The changes in tariffs effected through STVs are only for the period specified in the STV. After expiry of the specified period, the free or concessional usage ceases to exist and the rates of the relevant tariff plan of the consumer becomes applicable.

#### **Colour band and font size on paper vouchers:-**

10. Currently, different combinations of tariff packs are available in the market and the consumers have difficulty in identifying these packs and their benefits. Several stakeholders have alleged non-transparency of tariffs on the part of service providers, resulting in unintended activation of certain packs. With a view to facilitating easy identification by the consumers, the regulations now specify a colour band code on the reverse of the vouchers to distinguish different types of vouchers. A major concern of the consumers regarding size of the letters giving details of the plan, MRP, net monetary value available on the voucher etc. has been addressed by the Authority by prescribing the printing of information on the paper voucher in font size of not less than eight points.

### **Information to prepaid customers on activation of vouchers:**

11. During the consultation process, several stakeholders referred to the non-provision of details like total amount available in the subscriber's account, details of the tariff plan and the deductions made on account of taxes and administrative charges after activation of vouchers. Consumer organisations have suggested that provision of complete information to customers would make the system more transparent, leading to better customer satisfaction. After considering various suggestions in this regard, the Authority has mandated the provision of various details to the prepaid subscriber as listed in regulation 6.

12. Additionally, these regulations also provide for allotment of a separate Toll Free Short Code by the service provider to enable its consumer to access information relating to his tariff plan, available balance in his account and details of any Value Added Service activated on his telephone number.

### **Information to prepaid customers relating to usage:**

13. At present, about 96% of the consumers are in the pre-paid category and unlike post-paid consumers, the prepaid consumers do not get any bills for their usage and the amount charged. During the consultation process, concerns were expressed by consumers that some of the service providers are not providing the information like last call duration, call charge, validity period, account balance etc. Most of the stakeholders were of the view that such information should be provided to a prepaid subscriber, immediately on completion of every call, so that he can verify the correctness of the amount deducted from his account and also regulate his usage. Accordingly, the present regulations have mandated that the service provider shall, immediately on making any deduction from the account of a prepaid consumer, provide the

information through SMS, relating to the subscriber's usage for all calls and data.

14. Unlike post-paid subscribers, a prepaid subscriber does not have the facility to get itemised details of his usage. In the Telecom Consumers Protection and Redressal of Grievances Regulations, 2007, the Authority had mandated that on request from any pre-paid subscriber, the service provider shall supply to the subscriber, at a reasonable cost, not exceeding Rs.50/-, the information relating to the itemised usage charges for any period falling in the preceding six months. During the consultation process, several stakeholders opined that a time limit should be prescribed within which the service provider should provide the information. Accordingly, these regulations have prescribed a period of thirty days for providing itemised usage details by the service provider.

#### **Premium Rate Service and Value Added Service:**

15. Access to Premium Rate Services [PRSs] is generally through special numbers and is charged at rates higher than the normal call rates. During the consultation process, some of the stakeholders expressed concern that a consumer while accessing such PRS is unaware of the call charges and realises the same after the amount is deducted from his account. Similarly in case of Value Added Services, information regarding its validity, charges and the method to unsubscribe is generally not known. In order to ensure that a consumer is aware of the charges payable for availing such services, the regulations prescribe that in case of PRS, the consumer should be informed of the charges for such service before materialisation of the call and in case of value added service, he should receive, before activation of such service, information about the charges, validity period and the procedure to unsubscribe from the service.