

Information note to the Press (Press Release No.175/2012)

For Immediate release

TELECOM REGULATORY AUTHORITY OF INDIA

Website: www.traigov.in

**Telecom Regulatory Authority of India (TRAI)
issues a draft Amendment to Telecommunication Tariff Order, 1999
on financial disincentives.**

New Delhi, 9th August, 2012 – TRAI has released today a draft amendment to the Telecommunication Tariff Order (TTO), 1999 seeking comments of the stakeholders. Through this TTO the Authority seeks to prescribe financial disincentives on the service providers in the following situations:

(i) Violation of Reporting Requirement

As per the provisions of Telecommunication Tariff Order, service providers are required to report tariff to the Authority within seven days from the date of implementation. It has been noticed that the time limit of seven days for reporting tariff to the Authority is not being strictly followed by several service providers. With a view to ensure compliance of the reporting requirement by all service providers, it is proposed to prescribe a late fee of Rs.5,000/- per day, subject to a maximum of rupees two lakhs.

(ii) Levy of Excess Charges

Instances of levy of excess charges in violation of provisions of TTO and other regulatory guidelines have come to the notice of the Authority on several occasions in the past. The Authority has been ordering refunds of such excess amounts charged to the affected subscribers. Since the refund made is only the amount that has been levied illegally and detected by the Authority, there is no compulsion for service providers to confine the charging to the permitted level. To avoid instances of excess charging, as a deterrent measure, it is proposed to prescribe certain financial disincentives.

The above draft amendment to the Telecommunication Tariff Order is available on TRAI's website www.traigov.in. The Authority will notify the Tariff Order after considering the views of the stakeholders and making changes as may be considered necessary.

Stakeholders are requested to offer their comments preferably in electronic form to Shri Raj Pal, Advisor (Financial and Economic Analysis), Telecom Regulatory Authority of India, Mahanagar Doorsanchar Bhawan, Jawahar Lal Nehru Marg, New Delhi – 110002 (Tel No.011-23230752, Fax No.011-23236650; Email: raj.pal@nic.in; or eco@traigov.in) by 20th August, 2012.

Rajeev Agrawal,
Secretary, TRAI.