

TRAI Consultation Paper on Deactivation of the SIMs due to the non-usage

Due to the fast paced growth in the mobile subscriber base in the past few years, the mobile operators are witnessing a severe crunch in the availability of mobile number series. Additionally, the revised guidelines issued by DoT in July' 2011 for allocation of new number series based has changed the criteria of allocation from being HLR based to VLR based. This has necessitated the operators to re-visit the various processes and bring back unused numbers for re-distribution for new acquisitions.

It is re-iterated that the motivation to disconnect on non-usage is not to inconvenience the customer and the entire exercise is aimed at re-utilizing unused numbers more efficiently and effectively.

Q1: What period of continuous non-usage of a SIM should be kept as criteria for deactivation by the telecom service provider?

- (i) 60 days**
- (ii) 90 days**
- (iii) 120 days**
- (iv) 150 days**
- (v) 180 days**
- (vi) Any other**

Our Response:

In our view, the existing criteria of 60 days of continuous non-usage of a SIM should be continued for the deactivation of SIM. This is based on our internal analysis of customer's usage pattern and behavior of customer.

We have found that 80% of the customers who have not used the SIM for a continuous period of 30 days, do not use the SIM at all and, this also holds true for 90% of the customers who have not used the SIM for 60 continuous days.

We believe that there is no linkage between the minimum waiting period of 90 days for MNP requests vis-à-vis the non-usage condition. In case of MNP, the 90 days period is specified so as to enable the service provider to recover the customer acquisition cost, which is pre-supposing the usage by the customer. (Refer-Telecommunication MNP Regulation, 2009). This is not linked with the non-usage and consumption of resource of number series.

The Licensor has enacted number series allocation guidelines based on VLR data and therefore any unused MSISDN makes an impact on our capabilities in new acquisitions. As has been articulated above, our calculations indicate that 60 days is a sufficiently large time for any customer to use his connection for voice or data and any waiting period beyond 60 days has a negative impact and therefore unjustified.

We respectfully submit that in case of lifetime customers, there is a condition of mandatory recharge in 6 months. Considering all the aspects, if there is a continuous non usage for 60 days, then the criteria of deactivation shall be applicable.

Q2: Which (one or more) amongst the following should be included in the scope of activity with regard to the criteria for deactivation of SIMs upon non-usage?

- (i) Outgoing voice call**
- (ii) Incoming voice call**
- (iii) Outgoing video call**
- (iv) Incoming video call**
- (v) Outgoing SMS**
- (vi) Incoming SMS**
- (vii) Data transfer**
- (viii) Activation of a voucher**
- (ix) Switching the connection 'ON' by powering on the handset and SIM**
- (x) Any other**

Our response:

We are of the view that the following should be included in the scope of activity with regard to criteria for deactivation of SIMs upon non usage:-

- An outgoing voice call,
- An incoming voice call,
- An outgoing video call,
- An incoming video call,
- An outgoing SMS,
- Data transfer,
- Any VAS usage and activation or rental of any VAS services
- Activation of voucher (all types of vouchers)
- Any decrement from balance towards rental etc

Switching the connection 'ON' by powering on the handset and SIM, Incoming SMS and outgoing calls/SMS to toll free numbers only, should not qualify as usage for this purpose.

Q3: Which method(s) should be used for communicating the criteria of deactivation of SIMs to the subscribers in a transparent manner?

Our Response:

We are of the view that the following methods should be used for communicating the criteria of deactivation to the subscribers in a transparent manner:-

1. SUK – SIM pack
2. In terms and conditions of CIF/CAF
3. Web-site
4. Minimum 3 SMS to be sent to the number between 31st day of non – usage and stipulated date of de-activation
5. Periodic SMS are being sent to all the customers from Aug 2011

Please note that we are following this practice wef Aug 2011 for all our customers.

Q4: Should the condition of deactivation due to non-usage apply in all cases, or should it apply only in those cases where such a condition formed part of the contract at the time of enrolment?

Our Response

We respectfully submit that that condition of deactivation has to apply to all customers. As explained earlier, the de-activation criteria is the direct consequence of the DoT's circular which has severely restricted the issuance of new number series. It is our obligation, as operators, to inform the customers transparently about the deactivation criteria. However, this criterion has to apply to all subscribers irrespective of the tariff plan.

As highlighted in response of Q1, 60 days of continuous non usage is a clear indication of lack of interest, on part of customer, in using the SIM services

Q5: Whether there is a requirement of a connection retention scheme for the wireless subscribers who wish to retain their mobile connections active/ live even after long continuous periods of non-usage? If yes, what should be the terms, conditions and charges under such a scheme?

Our Response

There should be a facility to retain mobile number. It can be made available through specific recharge(s) with an option of retaining for either 6 months or 12 months. However, the charges for these should be kept under forbearance and should be decided by the market forces.

Q6: Whether the monetary value remaining on a pre-paid SIM should be forfeited upon deactivation of the SIM due to non-usage or it should be refunded/ returned back to the subscriber?

Our Response

As mentioned above, by transparently informing the customer of the non-usage criteria, we have informed the customer about this new terms and conditions of his subscription contract. Therefore, under the circumstances of non-usage, there can be no claim from the customer on the balance talk time and it has to be forfeited.

This is similar to the talk-time forfeiture which would occur post expiry of the validity of the Plan Voucher or if the customer has not re-charged a Lifetime connection within 180 days, or if a prepaid customer has ported out.

The customer is cautioned in advance in this regard and only then the unused balance is forfeited.

We would also like to submit that in prepaid products which are closed loop or semi closed loop, no refunds are allowed or required. e.g ITZ Card which is as per RBI guidelines which mentions as follows:

“This Prepaid Card is valid for 6 months from the date of its first usage or 12 months from date of manufacture, whichever is earlier. Any unutilized balance remaining in this Prepaid Card after the date of expiry will stand forfeited as per the RBI Guidelines”

Q7: Whether there is a requirement for specifying a period, within which a wireless subscriber should be allowed to reactivate his SIM that was deactivated due to continuous non-usage? If yes, what should be such reactivation period and other terms & conditions thereof?

Our Response

Providing the grace period will lead to complications, as 60 days is a long period for a customer to use a connection. The number should be disconnected on 60th day.

Post 60 days the numbers is deactivated and sent for re-manufacturing and pairing with a new SIM. This is then put in market via distributors and retailers. Given the spread of distribution and popularity of prepaid connection, getting back the numbers from market is logistically impossible. Therefore once the number is deactivated after stipulated 60 days, option of reactivation of same number cannot be given.