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Idea Cellular's response to TRAI Consultation Paper on "Deactivation of SIMs due to non-usage"

Sir,

It is now well known that a large percentage of mobile subscribers are and have been exhibiting multi-SIM usage leading to irregular usage patterns and inconsistent presence on the VLR of most mobile operators. There is thus an avoidable blockage of precious numbering resources.

In view of the stringent eligibility criteria in DoT policy on numbering resources, the above phenomenon also implies that growth on VLR remains subdued, making the operators ineligible for further allocation of numbering resources. The combined result of these is thus a double whammy that leads to overall constraints on growth of business as the numbering resources available for fresh allocation become scarce.

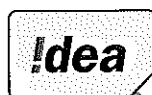
Against this backdrop, a criterion that provisions for deactivation of SIMs not in usage for a specified period of time becomes imperative, and we welcome the TRAI initiative to come out with this Consultation Paper for discussion.

In addition to the COAI comments and our earlier submissions dated 27th December 2011 and 11th January 2012, our issue-wise submission on the various queries raised in the consultation Paper are as follows:

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

Idea Cellular's Response:



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We feel that any non-usage beyond 50 days should make a customer liable to deactivation by the Service Provider. The rationale for 50 days stems from our observation that more than 90% of subscribers display a tendency towards non-revival post 50 days of non usage.

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

Idea Cellular's Response:

We feel that the following be kept within the scope of activity with respect to the criteria for deactivation of SIMs upon non-usage:

1. Incoming – Voice
2. Out going – Voice
3. Out going – SMS
4. Data Upload (including video call)
5. Data Download (including video call)
6. Call/SMS made to toll free Contact Centre numbers

Any other activity like activation of voucher, switching the connection "on", etc should not make the customer eligible for continuity of his services.

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

Idea Cellular's Response:

Idea Cellular is already using OBD / Insta Alert (Text) / SMS / USSD / Out call / CAF / SUK/ Web for communicating the criteria of deactivation of SIMs to the subscribers. We further understand that other Industry players are also using some or all of these mediums for creating awareness.

In addition, if required, TRAI can also additionally undertake the task of creating awareness around the use of above-mentioned criteria for SIM deactivation, through use of its customer education fund.

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?

Idea Cellular's Response:

Telecom is an extremely dynamic industry and the changes in the regulatory, licensing and technological environment calls for continuous adoption of business practices that are in keeping with the times. It is

imperative therefore that operators are allowed the flexibility to alter the terms and conditions of usage keeping in view the policy shifts like new numbering resource policy and stricter new activation process. Further, all such changes should necessarily be allowed to be applied across all cases, as a piecemeal approach is likely to create distortions that are best avoided.

To ensure that proper communication happens to the consumers, the message can be communicated multiple times in advance through multiple channel such as OBD / Insta Alert / SMS / USSD / Out call, SUK/ Web.

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?

Idea Cellular's Response:

Idea Cellular supports the creation of such a facility for consumers and already has one existing for its Post Paid customers where in a safe custody is allowed to a postpaid customer for a period of upto 180 days. Currently the charges for this service are a nominal Rs. 50 / month. Further Idea Cellular is in the process of exploring creation of a similar facility for its prepaid customers.

However, we believe that creation of any such connection retention scheme should be driven /determined by market forces and not be regulated.

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?

Idea Cellular's Response:

We strongly believe that the monetary value remaining on a pre-paid SIM should be forfeited upon deactivation of the SIM due to non-usage as there is ample communication given to the customer before deactivation of his SIM.

Further, it may also be noted that

1. Numbers having low balance & relatively higher days of inactive state have an extremely low probability of revival. This is despite the fact that significant time & resource investment goes towards communicating to these subscribers to induce usage.
2. Cost of maintaining a number in different network elements ranges between Rs. 100 – 150 per MSISDN.
3. Management of number inventory in telecom is a huge challenge, given the costs & resources involved in the maintenance of systems.

4. Clause for no refund of unused balance post-disconnection upon non-usage is a part of the contract (CAF) between the TSP and the subscriber.

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?

Idea Cellular's Response:

As already submitted, there is tremendous pressure on the numbering resources, because of the increasing multi-SIM behavior, and hence any cooling off period that would allow reactivation of SIM would be counter-productive to the concept and need to have a nil-usage deactivation criterion.

We are confident that the Authority will give due-consideration to our afore-mentioned comments before formalizing any guidelines on the issue.

Thanking You

Yours faithfully,

For IDEA Cellular Limited.


Rajat Mukarji
Chief Corporate Affairs Officer