

# **Telecom Regulatory Authority of India (TRAI)**

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### What is Telecom Regulatory Authority of India (TRAI)?

- Legal Backing: The <u>Telecom Regulatory Authority of India (TRAI)</u> was established on 20<sup>th</sup> February, 1997 by the Telecom Regulatory Authority of India Act, 1997.
- Objectives of TRAI:
  - TRAI's mission is to create and nurture conditions for growth of telecommunications in the country.
  - TRAI **regulates telecom services** including fixation/revision of tariffs for telecom services which were earlier vested in the Central Government.
  - It also aims to **provide a fair and transparent policy environment** which promotes a level playing field and facilitates fair competition.
- Headquarters: The head office of the Telecom Regulatory Authority of India (TRAI) is located at New Delhi.

## What is the Composition of TRAI?

- Members: The TRAI consists of a Chairperson, two whole-time members and two part-time members, all of which are appointed by the Government of India.
- **Tenure of Members:** The Chairperson and other members shall hold their office for a **term of three years** or till the age of **65 years**, whichever is earlier.
- **Chairperson:** The Chairperson has the powers of general superintendence.
  - He/She presides over the meetings of the TRAI.
- Vice-Chairperson: The Central Government may appoint one of the members of the Authority as the Vice-Chairperson of TRAI.
  - The vice-chairperson exercises and discharges the powers and functions of the Chairperson in his/her absence.
- **Removal of Members:** The Central Government is empowered to remove any member of the TRAI, if he/she:
  - has been adjudged an insolvent
  - has been convicted of an offence which involves moral turpitude
  - has become physically or mentally incapable of acting as a member
  - has abused his/her position, rendering his/her continuance in office prejudicial to the public interest.

#### TRAI Meetings:

- The Chairperson has the power of organising the meetings at times. He/She presides over the meetings.
- In the absence of the chairperson, the vice-chairperson presides over the meetings.
- In the absence of a vice-chairperson, any member can be chosen from the authority to preside over the meeting.

- The **decisions in the meetings are taken by the majority vote** of the members present.
  - In the event of an equality of votes, the Chairperson (or the member presiding the meeting) gives a **second or casting vote.**

#### What are the Functions of TRAI?

- Makes Recommendations: The function of the TRAI is to make recommendations on the following matters:
  - Need for introduction of new service provider.
  - Revocation of license for non-compliance of terms and conditions of licence.
  - Measures to facilitate competition and promote efficiency in the operation of telecommunication services to facilitate their growth.
  - Technological improvements in the services provided by the service providers.
- **Discharge of Responsibilities:** The TRAI is responsible for discharging the following functions:
  - Ensuring the compliance of terms and conditions of licence.
  - Ensuring the **technical compatibility** and effective interconnection between different service providers.
  - Laying down the standards of quality of service to be provided by the service providers.
  - Ensuring the quality of service and conducting the periodical surveys of such services.
  - Timely and officially notifying the rates at which the telecommunication services within India and outside India shall be provided under the TRAI Act, 1997.
- Non-Binding Recommendations: The recommendations of the TRAI are not binding upon the Central Government.
  - If the Central Government does not accept any recommendation of the TRAI or needs modifications, it refers the recommendation back to the Authority for its reconsideration.
  - The TRAI forwards to the Central Government its recommendation after considering the reference made by that Government within 15 days.

### What are the Powers of TRAI?

- Order for Furnishing Information: It can call upon any service provider to furnish in writing the information or explanation relating to its affairs as the Authority may require.
- Appointments for Inquiry: The Authority may appoint one or more persons to make an inquiry in relation to the affairs of any service provider.
- Order for Inspection: It is empowered to direct any of its officers or employees to inspect the books of accounts or other documents of any service provider.
- **Issue Directions to Service Providers:** The Authority shall have the power to issue such directions to service providers as it may consider necessary for proper functioning by service providers.

# What is Telecom Disputes Settlement and Appellate Tribunal?

- Amendment in the TRAI Act, 1997: The TRAI Act was amended in 2000 which established a Telecommunications Dispute Settlement and Appellate Tribunal (TDSAT) to take over the adjudicatory and disputes functions from TRAI.
- **Objectives:** TDSAT was set up to adjudicate any dispute between:
  - A licensor and a licensee
  - Two or more service providers
  - A service provider and a group of consumers
  - It was also established to hear and dispose of appeals against any direction, decision or order of TRAI.
- Composition: The TDSAT consists of a Chairperson and two other members, all to be

#### appointed by the Central Government.

- The selection of members is done by the **Central Government in consultation with the**<u>Chief Justice of India.</u>
- Eligibility:
  - **Chairperson:** A person shall not be qualified for appointment as the Chairperson unless he/she is or has been, a Judge of the Supreme Court or the Chief Justice of a High Court.
  - **Other Members:** He/She must have held the post of Secretary to the Government of India or any equivalent post in the Central/State Government.
- **Term of office:** The Chairperson and the other members of TDSAT shall hold office for a term of maximum **four years or seventy years** (for Chairperson), whichever is earlier.
  - In the case of members other than the Chairperson, the maximum age is sixty-five years.
- Removal of Members: The conditions for removal of any member of the Tribunal are the same as those of the TRAI.
- **Jurisdiction of TDSAT:** The civil courts do not have jurisdiction to entertain any matter which the TDSAT is empowered to determine.
  - An order passed by TDSAT is executable as a decree of civil court, the Tribunal has all the powers of a civil court.
  - It is not bound by the procedure laid down by the Code of Civil Procedure but guided by the principles of natural justice.
  - The Tribunal has the powers to regulate its own procedure.
- Penalties: The penalties for the offences that come under the jurisdiction of TDSAT, are the same as those of TRAI.

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