

TELECOM REGULATORY AUTHORITY OF INDIA
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**TRAI DIRECTIVE ON CARRY FORWARD OF UNUSED BALANCE
ON PREPAID CARDS.**

TRAI today issued a directive to all cellular service providers mandating the following:

- i) The carry forward of unused balance to prepaid subscribers has to be allowed during the grace period (the period during which carry forward facility is available) applicable at the time of recharge irrespective of subsequent downward revision in the grace period. This would imply that any change in the grace period should be applied only prospectively.
- ii) The cellular service providers shall make refunds to the subscribers of the amounts, if any, that were forfeited due to the reason that the applicable grace period was revised after the contractual date.

The Telecommunication Tariff Order provides that if there is an amount that is unused at the end of validity period, this amount should be carried over to the renewed card, if such renewal is done within a reasonable, specified period. Accordingly, all service providers were required to specify a reasonable period, which is generally known as grace period during which carry forward facility is available.

The Authority has in the recent past received complaints from prepaid cellular subscribers alleging forfeiture of unused balance available in the cellular recharge coupons even in cases where the recharges were made within the grace period as intimated at the time of purchase of recharge coupons. The Authority examined the issues raised in the complaints and concluded that such forfeiture of unused balance would be unfair, illogical and also against the spirit of the Tariff Order.

The cellular service providers have been asked to comply with the above directive and send compliance report to the Authority within 30 days.

The directive is available on TRAI's website "www.trai.gov.in"