SIM Recycling in the telecom industry refers to the practice of reusing inactive or dormant SIM card numbers. When a mobile number associated with a SIM card has not been used for a prolonged period (e.g., no calls, texts, or data usage, and no account recharge), the telecom operator may deactivate the number and reassign it to a new customer. This helps optimize the use of a limited pool of mobile numbers.

Key Features of SIM Recycling:

- 1. **Number Scarcity**: Mobile numbers are finite resources, especially in regions where demand is high. Recycling helps address number exhaustion.
- 2. **Inactive Numbers**: Numbers are recycled only after a certain period of inactivity, defined by the operator's policy (e.g., 90 days to a year).
- 3. **Regulatory Compliance**: The process is typically governed by telecom regulatory authorities to ensure fairness and prevent misuse.
- 4. **Notifications**: Operators may notify customers before deactivating and recycling their number, giving them a chance to reactivate the service.

Benefits:

- Efficient Resource Utilization: Prevents wastage of limited mobile number pools.
- Cost Management: Reduces the cost of acquiring new number ranges for telecom operators.
- Sustainability: Encourages efficient usage of resources.

Challenges:

- **Security Risks**: Recycled numbers may still be linked to the original user's accounts, potentially leading to unauthorized access.
- **Customer Dissatisfaction**: New customers may receive unwanted calls/messages meant for the previous owner.
- **Regulatory Issues**: Operators must ensure compliance with data privacy laws and provide clear policies to customers.

Use Case:

In countries with strict numbering limits, like India or Pakistan, recycling SIM numbers is common due to the high demand for mobile connections. Operators implement measures like mandatory identity verification (via KYC processes) before reassigning numbers.