



**Response to
TRAI Consultation Paper
On
Complaints/ Grievance Redressal in the Telecom Sector
Released on July 28, 2016**

I. Preamble:

1. We would like to submit here that ensuring quality of service norms as laid down by TRAI has always been top priority for our members and in order to achieve the same, **our members have made considerable investments, monetary as well as in other resources.** In this regard, we would like to submit that **second largest private sector investment of around Rs. 8,50,000 Crores has been made in the telecom infrastructure in order to meet the enhanced levels of customer expectation and needs.**
2. The Indian telecom sector is the second largest market in the world, having more than 1 billion customers and providing services at the most affordable rates, the tariffs being the lowest in the world. In this intensely competitive market, **consumer satisfaction is a key differentiator on the basis of which the business of any service provider can survive in the present competitive market, and therefore consumer satisfaction has always been and will remain a top priority for our members. Thus, the key focus of every service provider is to retain and attract new subscribers.**
3. **As indicated in various studies, it costs up to 10 times as much to attract a new customer as it does to retain an existing customer.** TSPs ensure that customer grievance redressal is effective and TSPs maintain the quality of service standards as laid down by the Authority and by the internal customer satisfaction benchmarks of the TSPs.
4. Moreover, facilities like MNP also put pressure on TSPs to retain subscribers.
5. **Initiatives taken by operators to address Consumer Grievances:**
 - a. **Workshops for Consumer Advocacy Groups:** Our members are organizing the workshops/ open house sessions for Consumer Advocacy Groups (CAGs)/

customers in each service area. The feedback received from the subscribers during the workshop are captured and analyze for understanding the nature of complaints which in turn helps to serve customers better. **Service providers also carry out root cause analysis to analyze the reason for the grievance in order to resolve the same systematically to prevent recurrence of the issue.**

- b. **Spreading awareness:** Our members continue their efforts to make consumers aware about grievance redressal system through following means:
- Advertisements/public notice,
 - Bills,
 - Starter pack
 - Sales and service outlet
 - Operator's Website
 - TRAI's Website
 - Configured in SIM etc.
- c. **Investments in Consumer Redressal infrastructure:** Moreover, over the years all operators have invested heavily in the Complaint Centers/ call centers so as to make the Complaint centers more robust. All service providers have invested significantly to set up sophisticated, state-of-the-art Interactive Voice Response (IVR) systems with consumer friendly, menu driven options that can easily cater to an entire gamut of queries/information requirements of the subscriber.
- d. **Training at Complaint Center:** Operators have also continuously invested in training manpower (Consumer Care agent) at the Complaint Centers. Service Providers actively work towards training/ educating the Consumer Care agent so as to enable timely resolution of customer complaints. Operators continuously keep increasing the capacity (including manpower) on a periodic basis depending on the call volumes to improve accessibility of call centers.
- e. Further, various traditional channels (Call Center/IVRS/SMS) as well as newly developed digital channels like USSD, Mobile Apps, Social Media trackers have all been put in place by all operators to further enable consumers to reach out to the company in case of any issues. All operators have opened Retail helplines to provide support to a retailer if a customer on his premise needs assistance for any issues.

6. **Various Channels available to the Customers for their complaints resolution:**

- a. **Call Centre and Appellate Authority:** TRAI has notified a grievance redressal mechanism for the all the service providers under Telecom Consumer Protection and Redressal of Grievance 2007. The regulation mandates establishment of Grievance Mechanism for resolution of consumers' complaints within the company as level of Call Centre, and Appellate Authority. Consumers can contact the Complaint Centre

of service provider on a toll free number at the first instance for resolution of their complaints. Complaints pertaining to fault repair, service disruption and disconnection of service have to be attended within a maximum period of 3 days. Other complaints to be attended by the Complaint Centre within a maximum period of 7 days, subject to time limits laid down in regulations on quality of service. The cases where no time limit is specified shall be addressed within 3 days.

- b. **Public Grievance (PG) cell of DoT:** In case a grievance is not redressed even after exhausting the procedure as prescribed above, an individual complainant without prejudice to his right to approach an appropriate Court of Law, may approach Public Grievance Cell of Department of Telecommunications (DoT) with all documentary evidence(s) in case of non-redressal of his grievance at concerned Service Provider level. Customer may submit grievance through Portal, Fax, phone and post.
- c. **Twitter sewa** is also a channel available to the customers to raise the Grievances.
- d. **TDSAT:** An Appellate Tribunal, known as Telecom Disputes Settlement and Appellate Tribunal (TDSAT), was established by the Central Government in May, 2000 to adjudicate any dispute between a licensor and a licensee; between two or more service providers; between a **service provider and a group of consumers**; and to hear and dispose of appeal against any direction, decision or order of the Telecom Regulatory Authority of India. The Tribunal, therefore, exercise both original and appellate jurisdiction.
- e. **National Consumer Helpline** has also been taking up various issues of consumers to the Telecom companies as well as TRAI

Apart from the above, Lok Adalat and Consumer Courts setup under the Consumer Protection Act, 1986 are also available to the customers for the redressal of the grievances and all TSPs already have setup to address the same.

Further, the Mobile Number Portability (MNP) Regulations have increased the ability of consumers to optimize their choices and benefit fully from competition. Moreover, with MNP in place and with the introduction of new technologies like LTE and 4G, quality of service will be a major differentiator which will attract subscribers. In such a scenario, every operator shall ensure that its subscribers remain happy enough with their services so that they do not switch to other service providers.

7. **Effectiveness of current Grievance redressal Mechanism:**

- a. We would like to submit that the existing system of two-tier consumer complaint redressal, as stipulated by the TRAI Telecom Consumers Complaint Redressal

Regulations 2012 dated 05th January 2012, is an adequate mechanism to address the issue of complaints raised by the consumers.

b. **Minuscule complaints when compared with the total subscriber universe:** We would like to submit that number of complaints being received by the operators is miniscule in comparison to the total subscriber base of the Industry. **Only 1.29% and 1% of complaints** were filed by the subscribers at the complaint center of the operators as compared to the total subscriber base for the **quarter ending Dec 2015 and March 2016 respectively.**

c. Further, **we would like to submit that the effectiveness of the current mechanism can be determined by following parameters:**

- Complaints resolved at the Complaint Centre as a percentage of total complaints
- Time taken to resolve the complaints
- Ease of filing complaints at both Complaint Centre and Appellate level.

i. **Complaints resolved at the Complaint Centre as a percentage of total complaints**

- As per the TRAI data for the quarter ending Dec 2015 and March 2016 it can be seen that % of complaints resolved at the Complaint center level **is as high as 98% and 97% respectively for the industry.** This clearly depicts the satisfaction of consumers with the responses provided by the Complaint Centre.
- Further, while the operators report to TRAI high percentage of redressal of complaints at the complaint center level, there is always some miniscule grievances lodged with the appellate level.
- This clearly shows the effectiveness of the complaint redressal at the call complaint centre level.

ii. **Time taken to resolve the complaints:**

- Other measure to determine the effectiveness of the current 2 tier consumer complaint redressal mechanism is the time taken to resolve the complaints.
- As per the data points released by TRAI for the quarter ending Dec 2015 and March 2016 it can be seen that the time taken for resolving the complaint is not an issue at all. In the quarter ending March 2016, all the networks were within the prescribed benchmarks of TRAI with regards to the billing/charging/validity related complaints.

Parameter	Benchmark	No. of CMTS Licence not meeting the benchmark			
		QE December 2015		QE March 2016	
Resolution of billing/charging/validity complaints	98% within 4 weeks	3	1.64%	0	0
Resolution of billing/charging/validity complaints	100% within 6 weeks	4	2.19%	0	0

iii. Ease of filing complaints at both Complaint Centre and Appellate level:

- As per the TRAI data almost all the operators were within the prescribed benchmark w.r.t accessibility of call center customer care for the quarter ending March 2016.

Parameter	Benchmark	QE December 2015		QE March 2016	
Accessibility of call center customer care	≥ 95%	8	4.37%	2	1.09%

8. Telecom not comparable to other sectors: The structure and business composition of the Insurance and Banking sectors are different from telecom sector. These sectors are handling financial transactions of their consumers of high values in comparison to the telecom sector. The number of Insurance companies and Banks and volume of transactions in money terms handled by them are of much higher value vis-à-vis telecom companies. For instance, during FY 2012-14 there were about 89 Banks having offices at over 92,000 locations across India handling deposits of about Rs. 742,95,324 mn and investments of Rs. 26,132,752 mn. Similarly, at the end of March 2015, there are 53 insurance companies operating in India (8 PSUs and 45 Private companies) having 11,033 offices; out of which 24 are in the life insurance business and 28 are in non-life insurance business and recorded a premium income of Rs. 32,81,010 mn from life insurance and about Rs. 846,840 mn with net incurred claims of Rs. 552,320 mn from non-life insurance segment. Whereas Telecom sector is having gross revenue of Rs. 683,350 mn and ARPU of only Rs 127 as on QE 31 March 2016.

9. Adjudicatory Powers of TRAI & DoT

- As highlighted by TRAI in the present consultation paper, TRAI may issue Regulation on the Consumer Redressal Mechanism while the Adherence to the Authority's Regulations regarding consumer complaint redressal is enforced by the DoT, which in the licensing conditions for the TSPs stipulates "All complaints of subscribers in this

regard will be addressed/ handled as per the orders or regulations or directions issued by the Licensor or TRAI from time to time.”

- b. However, it may be examined whether statutory power exists for creation of an Ombudsman. It may be noted that in the case of the other sectors highlighted by TRAI, i.e. Electricity Act, Banking and Insurance Acts, there is a provision under the Act, for the creation of an Ombudsman. This is not the case in Telecom, where the Indian Telegraph Act, 1885 does not provide for an Ombudsman.
- c. Thus, we would like to submit that any mechanism for addressing consumer complaints through third party or through Ombudsman, if created, will need to have the necessary legal backing, through Legislation or a Statute. This aspect is acknowledged by TRAI in the paper as well.

10. Our Commitment:

Further, our member operators are committed to constantly improving their processes and systems by incorporating feedback from subscribers. Operators are open to all suggestions and proposals from subscribers to further strengthen and improve services. We will also endeavor to continuously benchmark ourselves with the best in telecom and best in other service industry and actively try to adapt practices which can benefit our customers.

II. Query wise Response:

Q1. Is the complaint redressal mechanism, as presently existing, adequate or is there a need to strengthen it?

COAI/AUSPI Comments:

- 1. In our respectful submission, the existing system of two-tier consumer complaint redressal as stipulated by the Telecom Consumers Complaint Redressal Regulations 2012 dated 05th January 2012 is, at present, an effective and established mechanism to address the issue of complaints raised by the consumers.
- 2. It has to be kept in mind that the subscriber universe is very large and the data highlighted in our submission above shows that the percentage of matters referred to appellate authority are miniscule and **this clearly depicts the satisfaction of consumers with the responses provided by the Complaint Centre.**
- 3. Also, non-use of a remedy available to the consumer ought not to be a reason to doubt the effectiveness of the remedy.

4. It is pertinent to mention here that the disparity among the complaints being addressed at the Consumer Complaint Centre level, for various TSPs, may be due to different procedural formalities. However, it is not correct in any manner to suggest that an entirely different mechanism has been adopted by the operators. The TRAI has laid down the process very elaborately in its 2012 Regulations and the same is being followed by all operators. Further, it is important to note that the objective of the entire process is to ensure satisfactory response and redressal of the consumer complaints and any slight variance in the procedure adopted to achieve the same is not important as long as consumer satisfaction is achieved.
5. Insofar as the complaints submitted to TRAI and DoT are concerned, we submit that the number of such complaints, as per Table No. 2 provided in the Consultation Paper, is miniscule and reasons for such submissions would have to be examined on case to case basis. Such instances of complaints may result from the choice and behaviour of consumers which are beyond the control of service providers.
6. In view of the submission made above, we would like to submit that the existing complaint redressal mechanism is effective and adequate.

Q2. Are there any specific changes that can be made to the existing system to improve it?

COAI/AUSPI Comments

1. The present question does not require any specific reply in view of our response to the previous question.

Q3. Should a separate – independent and appropriately empowered – structure to resolve telecom sector complaints and grievances be established?

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Q4. If yes, please comment with regard to the organization, its structure, kinds of complaint to be handled and its powers?

COAI/AUSPI Comments

1. We are of the opinion that the existing mechanism to address the consumer complaints is effectively addressing the grievances of the consumers. We also believe that the Appellate authority is effectively operating as an independent and empowered structure.
2. Further, as submitted above, the service providers are already taking several steps to ensure consumer satisfaction:

- a. In order to ensure the proper functioning and consumer friendly outcome from the existing complaint redressal mechanism, all service providers have invested significantly to set up sophisticated, state-of-the-art Interactive Voice Response (IVR) systems with consumer friendly, menu driven options that can easily cater to an entire gamut of queries/information requirements of the subscriber. If the subscriber is not satisfied or he would like to register the complaint, there is always an option available to speak to customer care executives.
 - b. Service Providers actively work towards training/ educating the call center executives so as to enable timely resolution of customer complaints. So as to improve accessibility of call centers, operators continuously keep increasing the capacity (including manpower) on a periodic basis depending on the call volumes.
3. We would like to submit therefore that there is, in our opinion, no need to dismantle the existing structure and instead establish another independent and empowered body, which is substantively the same, to resolve the complaints and grievances.

Q5. Is establishing an Office of Telecom Ombudsman as an option that should be revisited, especially given the experience of the past few years of increasing numbers of complaints?

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Q6. If yes, how should it be created – the legal framework? What should be its structure? How should it be funded? What types of complaints should it handle? What should be its powers, functions, duties and responsibilities?

COAI/AUSPI Comments

1. In view of response against the previous questions framed under the present consultation paper, we strongly believe that the option of establishing an Office of Telecom Ombudsman as an alternative to the existing complaints redressal mechanism should be first examined on existing legal framework /statutory backing. Further, we believe that the Ombudsman structure may not be required under present circumstances for the following reasons:
 - a. **Effective Mechanism is already in Place:** As the Authority has rightly pointed out, the mechanism being proposed by the Authority is already in existence and each service provider has, at the behest of the Authority as well as the DoT, set up a 2 -tiered redressal mechanism at the levels of call centre, and an Appellate Authority to deal with individual consumer grievances.

- b. **Complaints miniscule in comparison to subscriber base:** It must keep in mind the fact that the number of subscribers has also increased manifold, and therefore a mere increase in the number of complaints should not be considered to be the reason for establishing an Office of Telecom Ombudsman.
- c. **Telecom not comparable to other sectors** - The TRAI has highlighted the models of office of Ombudsman in different sectors like Insurance, Electricity and Banks. In this regard, it is submitted that in all these sectors, there is no two tier complaint redressal system as is already in place for Telecoms. The Ombudsman is the intermediary available to the customer in addition to the systems maintained by Service Providers and the normal legal recourse available under the Law. In the case of telecoms, this intermediary role is fulfilled by the Appellate Authority as prescribed under Regulation. Further, the monetary values involved in such claims are far higher as compared to the telecom sector, where the concerns are usually related to small amounts which can be generally resolved by providing reversals as service gestures.
- d. Also, as acknowledged by TRAI in the paper the office of Ombudsman will necessary require legal backing, through Legislation or a Statute.

In light of above we submit, that the issue may be examined first on the existing legal framework/ statutory backing aspects. TRAI should allow the existing established system, which is working effectively, to continue.
