

Annexure A

Idea Cellular Response to

TRAI Consultation Paper

On

“Complaints/ Grievance Redressal in the Telecom Sector”

Preamble:

- A. Indian telecom currently has over a Billion consumers connected on voice telephony, a revolution that has been made possible by a very competitive industry that has built large scale telecom networks through innovative business models, supported by clarity in regulatory framework, large investments by TSPs, ability to attract investment, amongst others. This has spurred innovation and customization of solutions in the market.
- B. In fact all the benefits that can come from effective regulation, such as economic and technological growth, increased investment in the sector, cost reduction with improved efficiency, better quality of service, improved customer satisfaction, affordable prices delivering better value for money and improved access and availability of services, have got delivered under the prevailing Light touch regulatory regime of TRAI.**
- C. The Authority would further appreciate that the Indian wireless industry, especially the private sector, over the last two decades, has perhaps built the finest and widest services infrastructure in form of a mobile voice highway which today connects over 5 lac towns and villages across 550 districts including deep rural interiors and hinterlands across Bharat. This infrastructure, entailing investments of over Rs. 7.5 lac crores, is the backbone that delivers high quality voice services to over 1 billion Indians today, catapulting India to the 2nd largest mobility country in the world in terms of number of mobile users, and generating over 10 billion voice minutes on a daily basis. The sector is a vital driver of the country’s GDP and has contributed nearly 3% directly to the economy over the last decade
- D. One of key enablers in pushing the Indian mobile and voice telephony market to a size of over 1 Billion users has been “Effective Customer Grievance Redressal” by the TSPs. Over the last 15 years, TSPs have experimented with varying combinations of traditional and digital**

channels of consumer outreach and have successfully utilized them to resolve customer issues and drive mobile adoption.

E. **Some of the key Initiatives taken by operators on an overall basis to address Consumer Grievances are:**

- i. **Citizen's Charter:** The Citizen's charter was one of the earliest attempts by the fledgling Industry to broadly pinpoint its commitment to subscribers. The purpose of this Charter was to raise awareness amongst the subscribers about service provider's efforts/ steps undertaken to further enhance customer satisfaction.
- ii. **Workshops for Consumer Advocacy Groups:** Idea Cellular and other operators has been regularly organizing workshops/ open house sessions for Consumer Advocacy Groups (CAGs)/ customers in each of its LSAs. The feedback received from the subscribers during each of these workshops is captured and analyzed for bringing in improvements and **implementing changes that ensure that the problems do not recur.**
- iii. **Spreading awareness on Grievance Redressal System:** Idea Cellular and other operators have been regularly making sincere efforts to spread awareness to consumers on the various aspects of the Grievance redressal system through following means-
 - a. Advertisements// Public notice,
 - b. Bills,
 - c. Starter pack
 - d. Sales and service outlets
 - e. Operator's Website
 - f. TRAI's Website
 - g. Pre-configuration via SIM.
- iv. **Investments in Consumer Redressal infrastructure:** Idea Cellular and other operators have been regularly investing in setting up new call centers / Helplines so as to make the systems more robust. Sophisticated, state-of-the-art Interactive Voice Response (IVR) systems have been established with consumer friendly, menu driven options that can easily cater to the enhanced range of queries / information requirements from the subscribers.

- v. **Ongoing training session for Customer Care Executives:** Regular training of call centre manpower (Consumer Care agent) is an ongoing activity to enable timely and proper resolution of customer complaints. Operators continuously keep increasing the capacity (including manpower) on a periodic basis depending on the call volumes to improve accessibility and response time of call centers.

 - vi. **In addition, newly developed digital channels like USSD, Mobile Apps, Social Media trackers have also been put in place by all operators to expand the reach for consumers to reach out to the company in case of any issues.**
- F. **We would like to further submit that the current grievance redressal system that has already withstood the test of times and is adequate to take care of customer issues. An analysis of the various data points as of Mar-16 exit carried out at our end, reveals the following:**
- i. Complaints are received only from 1% of the base which indicates that robust systems, processes & policies are already in place and very large chunk of subscribers don't have to complain at all.
 - ii. Our Instant Customer Feedback (ICF) scores are also over 86% month-on-month, which indicates that customers are satisfied with the resolution type and resolution quality.
 - iii. Total appeals received are a miniscule 0.07% of total customers that have complained.
 - iv. The total complaints received on PG Portal and TCCMS (JFM-16 quarter) put together is also 0.0008% of subscriber base and 0.1% on total customers who have complained

The above-mentioned data points clearly show that the existing system is working well and that the Authority's proposal to introduce a separate - independent and appropriately empowered - structure to resolve telecom sector complaints and grievances seems unnecessary.

- G. **In the above context, we would like to further submit that for any remedies proposed by the TRAI, there needs to be an accompanying impact analysis, an obligation that is placed upon**

the TRAI through the Telecommunications Law. The impact analysis should examine inter alia, the effect of the proposed regulation on subscribers at large, and the need to understand as to how such a step would affect complaint resolution, mobile operator's functioning and finally the satisfaction rendered for end users. The TRAI did not conduct such an assessment in the Consultation Document and has simply assumed that the remedies suggested should facilitate better resolution of complaints disregarding a lot of factors that may affect the same. **Naturally the TRAI seems to have made assumptions of an over simplified customer satisfaction ecosystem which is really not the case, as there are a vast variety of players interacting together at the same time to influence the consumer experience... To that extent, this CP thus undermines the valuable contribution of telecom Entities in the field of customer grievance redressal.**

- H. We would also like to submit that Idea Cellular is concerned about how the TRAI is interpreting and implementing its statutory obligation to *"ensure that the interests of consumers are protected and at the same time to nurture conditions for growth of telecommunications"*. In particular,
- i. We find that the proposed Telecom Ombudsman model does not constitute a "reasonable treatment" for the licensed telecom entities, who today have together contributed the 2nd largest private sector investment in infrastructure – Rs. 8.5 Lac Crores, despite RoI<1%, and are the engine of growth of the country's telecom landscape that has made it the World's 2nd largest telecom market after China.
 - ii. We disagree with the TRAI's unjustified selectivity with respect to viewing the increasing "absolute numbers" of complaints received at TRAI and DoT, as the basis for creation of a separate - independent and appropriately empowered - structure to resolve telecom sector complaints and grievances. We also disagree with the TRAI's approach of calling these absolute numbers as *"sufficiently large for consideration and to examine whether something specific needs to be done in this regard"* and not juxtaposing these numbers against the phenomenal subscriber base in India that shows the total complaints received on PG Portal and TCCMS (JFM-16 quarter) put together as just 0.0008% of subscriber base and 0.1% of the total customers that have complained.

- iii. **Naturally, use of such an approach carries with it the inherent risk of leading to the creation of a redressal structure loaded in favour of consumers and against the TSPs, on the basis of assumed non-consumer friendly behaviour.**
- iv. **We emphasize that TRAI proposed remedies should be prospective and anticipatory. Instead, the distinct impression gained, is that the TRAI has proposed its remedies based on a snapshot of the market and not its evolution, in which some new layers get created without a justifiable enhancement in telecommunication interests.**

I. Issues regarding adjudicatory Powers of TRAI & DoT

- i. We would also like to respectfully submit, as per our understanding, the TRAI Act, does not provide TRAI the power to establish such adjudicatory bodies, as proposed in the consultation paper. This was recognized by the TRAI itself in its 2004 recommendations on the Establishment of an Ombudsman.
- ii. TRAI has correctly highlighted in the present consultation paper that though the TRAI may issue Regulation on the Consumer Redressal Mechanism, the adherence to the Authority's Regulations regarding consumer complaint redressal is enforced by the DoT, which in the licensing conditions has stated, inter alia *"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."*
- iii. Thus there should not be any parallel adjudicatory mechanism/body created by DoT or TRAI. 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 standing. This aspect is acknowledged by TRAI in the paper as well. . The separation of power must be maintained in line with the legislative intent and the scheme of the TRAI Act.

In summary we would like to submit:

- i. **Idea Cellular feels that a robust grievance redressal system can go a long way in maximising accessibility to the world of telephony and Internet as it gives the end users the capability to get timely and appropriate resolution of their complaints.**

- ii. However, Idea Cellular does not favour introduction of a separate - independent and appropriately empowered - structure to resolve telecom sector complaints and grievances.
 - iii. It is submitted that the current customer grievance redressal system is adequate to take care of customer issues, and has already withstood the test of times.
 - iv. It is further submitted that creation of an additional layer, as proposed in the CP, would result in a very complex structure with multiple layers striving to provide the same solution. From a governance point of view also, it will become extremely complex to manage, monitor and regulate.
 - v. It is further submitted that instead of relying on creation of a separate layer, the existing structure of TCCMS portal and review mechanism can be made more robust, which shall support existing ecosystem without any major change.
- iv. TRAI has recognized the issue regarding absence of provisions under the TRAI Act to establish such adjudicatory bodies, as proposed in the consultation paper. This was recognized by the TRAI earlier also in its 2004 recommendations on the Establishment of an Ombudsman. Thus, there should not be any parallel adjudicatory mechanism/body created by DoT or TRAI. The separation of power must be maintained in line with the legislative intent and the scheme of the TRAI Act.

Considering our above submissions, below is our Issue wise response:

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

Idea Response:

In our view, the current Complaint Redressal Mechanism seems adequate.

As already shared by us above, some of the data points (as of Mar-16 exit) are as follows:

- a. Complaints are received only from 1% of the base which indicates that systems, processes & policies are in place and very large chunk of subscribers don't have to complain at all.
- b. Our Instant Customer Feedback (ICF) scores are also > 86% month on month, which indicates that customers are satisfied with the resolution type and resolution quality.
- c. Total appeals received are 0.07% of total customers who have complained.
- d. The total complaints received on PG Portal and TCCMS (JFM-16 quarter) put together is also 0.0008% of subscriber base and 0.1% on total customers who have complained

The above-mentioned data points clearly show that the existing system is working well and that the Authority's proposal to introduce a separate - independent and appropriately empowered - structure to resolve telecom sector complaints and grievances seems unnecessary.

In that context, it is pertinent to mention that a customer can raise complaint through various modes which is largely redressed within turn-around-time. If the customer is not satisfied, then customer can either (a) re-raise the complaint (i.e. re-opening of complaint) or (b) Appeal to the appellate authority (In the resolution process, Customer Advocacy Group member is also involved) which is again disposed with the turn-around-time.

Customer also has a provision to complain to Regulator (through TCCMS portal) or Licensor (through PG portal). It is pertinent to mention here that these portals are closely monitored by all operators and complaints are also closed by operators in these portals as well.

Thus essentially speaking, resolution of customer's complaint by TSPs is actively pursued as customers can always exercise portability option with great ease which implies that the operator not focusing on complaint redressal with satisfaction would lose out on its competitive edge in the market.

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

Idea Response:

While the current complaint redressal mechanism is adequate however the method of viewing this overall complaint redressal mechanism can be reviewed. We can look at the overall or nature wise

complaints raised, customers satisfied or unsatisfied with the resolution, then further drill down can be done on either repeat complaint or re-opening of same complaint type.

Further if customers are not satisfied customer can exercise their right to Appeal to Appellate authority whereby customer advocacy group member's advice is considered before disposing the appeal.

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 complaints to be handled and its powers?

Idea Response:

We have already submitted that Idea Cellular and other operators have experimented with varying combinations of traditional and digital channels of consumer outreach and have successfully utilized them to resolve customer issues and drive mobile adoption.

In addition, newly developed digital channels like USSD, Mobile Apps, Social Media trackers have also been put in place by all operators to expand the reach for consumers to reach out to the company in case of any issues.

We reiterate that existing system is working well and that the Authority's proposal to introduce a separate - independent and appropriately empowered - structure to resolve telecom sector complaints and grievances seems unnecessary. At the most, the existing structure of TCCMS portal and review mechanism can be reviewed and made more robust, which shall support existing ecosystem without any major change

Q5: Is establishing an Office of Telecom Ombudsman 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?

Idea Response:

We strongly believe that the option of establishing an Office of Telecom Ombudsman as an alternative to the existing complaints redressal mechanism should not be revisited for the following reasons:

- a. **Effective Mechanism already in Place:** It is submitted that each service provider has in line with the Directions of the Authority already set up a 2 -tiered redressal mechanism at the levels of call centre, and an appellate authority to deal with individual consumer grievances. Further, as shown above through intrinsic analysis, the existing system is working well.
- b. **Complaints miniscule in comparison to subscriber base:** We have already disagreed with the TRAI's unjustified selectivity with respect to viewing the increasing "absolute numbers" of complaints received at TRAI and DoT, as the basis for creation of a separate - independent and appropriately empowered - structure to resolve telecom sector complaints and grievances. We also disagree with the TRAI's approach of calling these absolute numbers as "*sufficiently large for consideration and to examine whether something specific needs to be done in this regard*" and not juxtaposing these numbers against the phenomenal subscriber base in India that shows the total complaints received on PG Portal and TCCMS (JFM-16 quarter) put together as just 0.0008% of subscriber base and 0.1% of the total customers that have complained
- c. Further, we would like to submit a few specific standing principles recognized around establishing the office of an Ombudsman:
 - i. *The ombudsman model is used to resolve complaints made by someone 'small' (citizen/consumer) against something 'big' (public body or commercial business)*
 - ii. *Ombudsman schemes use flexible and informal procedures – resolving cases by mediation, recommendation or decision as appropriate*

- iii. *Ombudsman scheme recommendations/decisions are based on what is fair in the circumstances, taking account of good practice as well as law*
- iv. *Ombudsman schemes publicly feedback the general lessons from cases they have handled, so stakeholders (including government/regulators) can take steps to improve things for the future*

Source of principles: <http://www.ombudsmanassociation.org/about-principle-features-of-an-ombudsman-scheme.php>

In view of the above-mentioned basic principles, the proposed Ombudsman model seems completely unnecessary, as our current CAG representation is already very similar to Ombudsman methodology - CAG members (Customer Advocacy Group) play a role of sharing customer's voice to sector regulators i.e. the Authority itself, they share recommendations to TRAI, feedback the VOC of customers to TRAI as well as help resolving customer complaints through Advisory meetings.

- d. **Finally, TRAI has recognized the issue regarding absence of provisions under the TRAI Act to establish such adjudicatory bodies, as proposed in the consultation paper. This was recognized by the TRAI earlier also in its 2004 recommendations on the Establishment of an Ombudsman. Thus there should not be any parallel adjudicatory mechanism/body created by DoT or TRAI. The separation of power must be maintained in line with the legislative intent and the scheme of the TRAI Act.**