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**Sistema Shyam TeleServices Limited [SSTL] comments/response to Consultation Paper [‘CP’] on Complaints/Grievance Redressal in Telecom Sector by Telecom Regulatory Authority of India [‘Authority/TRAI’] issued on 28.07.2016**

**Introduction**

1. At the outset, the Authority deserves to be appreciated for the consistent efforts undertaken by it for the protection of interests of consumers and effective & timely redressal of grievances of consumers. Since 2005, consumer protection is one of the focus areas of the Authority. The Authority through its various Regulations has given paramount importance to the effective redressal of consumer complaints.

2. As the Authority is aware, the telecom sector in India is characterised by intense competition with as high as 12 operators in the market. The Indian Telecom sector is operating in a rapidly changing and highly competitive environment, with high service quality and satisfaction of customers. The success of any organisation primarily depends upon sustaining the customer advantage i.e. retaining the customers for lifetime. Growing complexities and uncertainties at the market place along with intensifying global competition are forcing the business organisation to invest in building customer relationships.

3. With the introduction of Mobile Number Portability Regulations, 2009, the Indian telecom sector has become more competitive in terms of choice available to the consumers. The availability of choice means that a disgruntled subscriber could simply switch to a TSP offering a better service. The Mobile Number Portability (MNP) Regulations have increased the ability of consumers to optimise 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.

4. TRAI has laid down the Quality of Service<sup>1</sup> (QoS) Standards for various services through QoS Regulations issued from time to time. In these Regulations, TRAI has prescribed various parameters and benchmarks on quality of service which every TSP is mandated to achieve. TRAI has been monitoring the performance of TSPs by adopting mainly a three-fold strategy: (i) Quarterly Performance Monitoring report from service providers; (ii) Audit of QoS by third party agencies and (iii) Survey of Customer satisfaction through third party agencies. It is pertinent to mention here that Regulation 5 of the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009 provided for: (a) network service quality parameters and (b) customer service quality parameters. The Authority audits the compliance of these parameters by the TSPs on a quarterly basis. In case any TSP fails to meet the required benchmark of parameters specified in Regulation 5 including customer service quality parameters, the TSP is liable to pay an amount by way of financial disincentive.

5. The present consultation paper, as has been noted by TRAI, presents an overview of the existing consumer grievance mechanism and seek comments from the stakeholders for

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<sup>1</sup> The Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009



a step ahead

possible options/alternatives to further strengthen the existing redressal system. The questions as framed in the consultation paper are in two parts:

- (i) Existing Complaint Redressal System and its Efficacy
- (ii) Complaint Redressal Systems elsewhere

6. SSTL seeks to deal with the above issues and provide its views as set out below:

<b>EXISTING COMPLAINT REDRESSAL SYSTEM AND ITS EFFICACY</b>
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**QUESTION 1: Is the complaint redressal mechanism, as presently existing, adequate or is there a need to strengthen in?**

7. The present complaint redressal mechanism is the outcome of the persistent efforts and measures undertaken by the Authority over a decade to safeguard consumer interests and provide speedy redressal/resolution of consumers' grievances. TRAI, in May 2007, issued the Telecom Consumers Protection and Redressal of Grievances Regulation, 2007 (hereinafter referred to as 2007 Regulations) which provided the framework for redressal of consumer grievances through establishment of a three-tier redressal mechanism. However, after receiving various representations from consumers and consumer organisations to the effect that the grievance redressal mechanism established by Telecom Service Providers (TSPs) needs to be more effective and accessible, TRAI issued a pre-consultation paper on 'Telecom Consumer Protection and Redressal of Consumer Grievances' on 11<sup>th</sup> May, 2010. Based on the feedback received, TRAI issued a consultation paper on 'Review of Measures to Protect Interests of Consumers in the Telecom Sector' on 2<sup>nd</sup> August, 2010. The Authority based on the comments received during the public consultation and keeping in view the interests of telecom consumers and TSPs finalised the draft Telecom Consumers Complaint Redressal Regulations, 2011 which was published on TRAI website on 4<sup>th</sup> July, 2011 for comments of the stakeholders. As a result of this extensive consultation process wherein the whole focus of the Authority was to make the consumer redressal mechanism more effective and accessible, TRAI on 5<sup>th</sup> January, 2012 issued the Telecom Consumers Complaint Redressal Regulations, 2012 (hereafter mentioned as '2012 Regulations'). The main highlight of the 2012 Regulation was that it replaced the three-tier mechanism with two-tier mechanism, as noted by TRAI in para 1.1 of the present consultation paper, with the objective of improving the efficiency and speeding up the complaint resolution process in a time-bound manner as given below:

***Tier 1:*** Each TSP must establish a Complaint Centre in each of its licensed service area with toll free number for access. Every complaint registered at the Centre is allotted a docket number, communicated to the subscriber through SMS along with time of registration of the complaint and the time by which the complaint is likely to be resolved. Complaints are to be redressed within the time limits specified in related Quality of Service (QoS) Regulations. Where no time limit is specified in the QoS Regulations for a specific type of complaint, the resolution for such complaints/service must take place within 3 days. On completion of action the complaint is formally closed and the consumer is informed through another SMS.

***Tier 2:*** Each TSP must establish an Appellate Authority (AA) in each of its licensed service areas. Consumer can approach the AA, if not satisfied with the redressal at

*the Complaint Centre or the complaint is not addressed within the specified time limit. Each AA along with its secretariat has a two member Advisory Committee for advice on the appeal filed before it. One member is the representative of the TSP and the other one is from a consumer organization registered with TRAI. AA is required to give due consideration to the Advice of the Committee while deciding the appeal and has to record in writing the reason for deciding the appeal otherwise than in accordance with the advice of the Committee. The overall time limit for disposal of an appeal is 39 days. The decision of the AA is not binding on the consumer and has the right to legal remedy.”*

8. The said Regulations also provided for detailed guidelines regarding material to be published in the Telecom Consumers’ Charter. In addition to what was required to be included in the Telecom Consumers’ Charter in 2007 Regulations, the 2012 Regulations also provided for details about General Information Consumer Care Number, right of consumers under the different regulations, orders and directions issued by the Authority, in particular those relating to tariff, Mobile Number Portability, Telecom Commercial Communications, Customer Preference Regulations, 2010 and Value Added Services. Regulation 17 of the 2012 Regulations mandated the TSPs to provide copy of such Telecom Consumers’ Charter to each consumer at the time of subscription for service. It is pertinent to mention here that in addition to the 2012 Regulations, the TSPs are also mandated under Regulation 3 of Telecom Consumers Protection Regulations 2012 to provide information about Customer Care Number and General Information Number to each consumer at the time of his enrolment into the network as part of start-up kit. The Authority brought in the required amendments in the Telecom Consumers’ Charter to increase the awareness and in turn, accessibility of the grievance redressal mechanism amongst consumers. The 2012 Regulations also provided for the establishment of ‘Web Based Complaint Monitoring System’ to enable the consumers to monitor the status of their complaints with the sole intent of making the consumer grievance addressal process transparent to the public at large.

9. The reliance on the following data by the Authority to conclude “*what is notable is the variation amongst the TSPs when it comes to the number of appeals filed as compared to the numbers of complaints registered. Such a disparity points out to the fact that the TSPs have implemented and are operating the complaint/ grievance redressal mechanism in their own ways, including differently defining what an appeal is and therefore what gets referred to the AA*” is unfair and misplaced.

**Table-1: Number of Complaints/Appeals**

Sl. No.	Name of the TSP	Number of Complaints in Quarter Ending		Number of Appeals in Quarter Ending	
		Dec-15	Mar-16	Dec-15	Mar-16
1.	Airtel	3209450	3889799	162	604
2.	Aircel	1177682	751210	422	316



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Sl. No.	Name of the TSP	Number of Complaints in Quarter Ending		Number of Appeals in Quarter Ending	
		Dec-15	Mar-16	Dec-15	Mar-16
3.	BSNL	1493333	1099785	22	0
4.	Idea	1077257	1062843	907	756
5.	MTNL	1874253	1471336	3	3
6.	MTS	166473	180045	63	73
7.	Quadrant	4769	39700	0	169
8.	Reliance	1655485	164494	19510	2110
9.	Tata	283323	302358	2000	3656
10.	Vodafone	1801005	1078092	48	103
11.	Telenor	166148	195213	38	62

10. In our view, keeping in mind the subscriber universe of each operator is very large and taking into consideration the number of appeals handled by TSPs against the number of complaints filed by the consumers, it can be safely said that the existing complaint redressal mechanism has been very effective and consumer-friendly so far. The data given by the Authority for SSTL clearly shows that SSTL has been successful in addressing a substantial number of grievances/complaints of the consumers at the level of Tier-1 i.e. Complaint Centre itself and resultantly only those consumers who are either not satisfied with the redressal of their complaint by the complaint centre or where the complaints remained unaddressed approach the Appellate Authority (i.e. Tier-2) provided under the Regulations. The number of complaints escalated to the Appellate Authority are miniscule when compared to the total subscriber universe. Thus, it may not be fair to draw conclusions regarding the need to increase the effectiveness of complaint redressal system on the basis of the data referred to by the Authority in the consultation paper. The reason for less number of appeals in comparison to number of complaints as assumed by the Authority in para 1.3 of the consultation paper is not correct. The TSPs including SSTL while dealing with the complaints follow the 2012 Regulations both in letter and in spirit. It is noteworthy that in terms of Regulation 9 read with Regulation 13 of the 2012 Regulations any consumer who is either not satisfied with the redressal of his complaint by the complaint centre or his complaint remains unaddressed or no intimation of redressal of the complaint is received by the consumer within the period specified in the Regulations can escalate his complaint to the Appellate Authority provided under the Regulations. SSTL has been operating its Two-tier consumer complaint redressal mechanism as per the Regulations and has not prescribed any criteria for its subscribers/consumers for filing an appeal before its Appellate Authority.



a step ahead

11. In our view, the low ratio of number of appeals escalating to the Appellate stage (Tier-2) establishes that the present existing complaint redressal mechanism is adequate, robust, accessible and effective enough to address the concerns of consumers.

**QUESTION 2: Are there any specific changes that can be made to the existing system to improve it?**

12. It is an ongoing endeavour of every service provider to address consumer grievances in a time bound manner. Being part of the service industry, operators are extremely concerned about the service to the customers and addressing consumer grievances is being considered as important and necessary tool for reducing customer dissatisfaction on a large scale. In today's competitive environment, it is the endeavour of each service provider to retain subscribers. Hence, maximum numbers of complaints are resolved at the call centre level and the complaints which have escalated to the Appellate Authority are miniscule when compared to the total subscriber universe. Moreover, all these years all operators including SSTL have invested heavily in the call centres so as to make the centres more and more robust. Operators have also continuously invested in training the manpower at the call centres. However, for the success of the mechanism it is imperative to improve consumer awareness by conducting more and more programmes at regular intervals. SSTL is committed to constantly improving its processes and systems by incorporating feedback from subscribers, based on their requirements.

13. The current framework of the consumer redressal mechanism is sufficient for the speedy and effective resolution of consumer grievances/complaints. Since TRAI is already monitoring the complaint handling through QoS audit and metering & billing audit on quarterly/annual basis, SSTL feel that there are no changes required to the existing system of consumer grievance redressal.

**QUESTION 3: Should a separate – independent and appropriately empowered – structure to resolve telecom sector complaints and grievances be established?**

14. In our view, the present redressal system is adequately equipped to address the concerns of the consumers. The Authority will appreciate that the three-tier redressal mechanism provided in 2007 Regulations was replaced by the two-tier redressal mechanism in 2012 Regulations to make the redressal mechanism more time and cost-effective. Besides the option of pursuing redressal through the two-tier system, consumers may also approach Telecom Disputes, Settlement & Appellate Tribunal (TDSAT), TRAI, TERM Cells unit of Department of Telecommunications (DoT). The consumers also have the option to file a case with the Consumer Disputes Redressal Forum or a Consumer Disputes Redressal Commission or the National Consumer Redressal Commission in case they are not satisfied with the resolution of their complaint by their Service Providers. It is also open to the consumers to invoke civil remedy against TSPs. Establishment of another body would only result in multiplicity of proceedings and forum shopping. The data given by the Authority at table no. 2 at para 1.9 of the present consultation paper does not take into account the number of complaints which were resolved by the two-tier grievance redressal mechanism. The Authority may also note that the complaint centres established by the TSPs are highly equipped and highly trained in identifying the grievance of a consumer be it network-related or QoS related and escalating them to the concerned department of the organisation for speedy and timely resolution of the complaints. Moreover, over the years all operators have invested heavily in the complaint centres so as to make the complaint centres more and more robust. Operators have also continuously invested in training the manpower at the complaint centre. Thus, in our view, at present there is no need to establish a separate body



a step ahead

to resolve telecom disputes as the present existing complaint redressal mechanism is adequate, robust, accessible and effective to address the concerns of consumers.

**QUESTION 4: If yes, please comment with regard to the organisation; its structure; kinds of complaints to be handled and its powers?**

15. In our view, the existing two-tier redressal mechanism along-with the other options available with the consumers regarding grievance redressal is sufficient and should be continued.

**COMPLAINT REDRESSAL SYSTEMS ELSEWHERE**

**QUESTION 5: 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?**

16. The competitive scenario in the telecommunication sector impose requisite pressure on the TSPs to provide top quality service and highly efficient customer care. The market mechanism as it exists today would ensure that the service providers take due care of customer satisfaction and their grievances in order to ensure that their business is viable. Further, in the Indian telecom sector, as discussed above there already exists a dispute resolution mechanism – through TDSAT for the industry and also separately for consumer grievances by way of Consumer Courts/Forums and also under Competition Act, 2002. It is not clear how the proposed Ombudsman is envisaged to fit into the current regulatory structure and whether it would have statutory recognition and how it would help the subscribers and the operators. We believe that any dispute / consumer grievance settlement mechanism should not just multiply the number of fora available to consumers as this could lead to more confusion not to mention further delays and expenditure, thus defeating the very purpose of the exercise. Further, the process should also be affordable to the consumer and it should not result in imposition of an unnecessary additional financial burden on the industry. The telecom sector cannot be compared with the other infrastructure sectors in the country as it is highly regulated. The performance of each TSP is monitored by the Authority against the prescribed QoS benchmarks on quarterly basis failing which, the TSPs are liable to be charged with financial disincentives. Infact the number of complaints escalated to the Appellate Authority (provided in the 2012 Regulations) are miniscule when compared to the total subscriber universe. Since the redressal mechanism as provided in the 2012 Regulations has been effective and consumer-friendly, in our view at present there is no need to establish an Office of Telecom Ombudsman and the present redressal mechanism should be continued.

**QUESTION 6: 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?**

17. In our view, the existing two-tier redressal mechanism along-with the other options available with the consumers re. grievance redressal is sufficient and should be continued.

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