

To  
Shri Sanjeet Singh,  
Advisor (Consumer Affairs)  
Telecom Regulatory Authority of India,  
New Delhi

**Subject:** Consultation Paper - Complaints/ Grievance Redressal in the Telecom Sector dated 28<sup>th</sup> July 2016

Dear Advisor:

TRAI has done a great job in bringing out this consultation paper as the number of complaints about Telecom services have been growing by leaps and bounds on the Web and Social Media making one wonder the very existence of Consumer Redressal system in the Republic of India.

**Some Gaps in this Consultation Paper:**

In paragraph 1 of the paper, it is mentioned that,

"telecom subscribers in India reached around 1.04 billion by June-2016".

It is not very clear that the number 1.04 billion subscribers is sum of Wireless and Wireline (Landline & Broadband) customers as TRAI has not yet officially released subscription data for June-2016. If at this stage, **the scope of this paper can be extended to cover customer grievances pertaining not only to Wireless but Wireline customers as well**, you are kindly requested to do so, if Wireline is not already covered.

The toll free number 1063 mentioned in paragraph 1.8 of the paper is non-operational on Airtel & BSNL Wireless networks. Is TRAI aware of the same?

Now, I'd like to make the submission as under which shall stand on record with the office of the Telecom Regulatory Authority of India.

**Question 1:** Is the complaint redressal mechanism, as presently existing, adequate or is there a need to strengthen it?

**Response:** Data provided in the consultation paper is insufficient to arrive at a definite conclusion as justified below.

As per data provided in Table -1 on page 10 and 11, the present complaint redressal mechanism appears adequate for most operators barring Reliance Communications and Tata. The Complaints to Appeal ratio is extremely high for Reliance and moderately high for Tata as well when compared to [Airtel, Vodafone and Idea](#), the Top 3 operators in India.

Assuming, if all the complaints were resolved in the existing Tier-1 and Tier-2 support system at the TSP end, why would a consumer knock the doors of DoT / TRAI? The Number of



Complaints registered with DoT / TRAI is furnished in Table 2 on page 14; however, it lacks breakup of TSP wise complaints filed and hence **is not directly comparable** with the data provided in Table 1 to arrive at a definite conclusion. Further, it is not very clear about the nature of complaints registered with TRAI / DoT; Are they an appeal against the TSP's Appellate Authority decisions or just fresh complaints against a TSP?

In March-2016 quarter a total of 26,843 appeals have been filed with the TSPs. **78% of the Appeals are on Reliance**, 14% on Tata and 8% on all the other operators. TRAI can release comparable data sets and extend the timeline of the consultation paper or if comparable data is available with TRAI it can extrapolate to see if complaints filed with DoT / TRAI are mainly against Reliance and Tata or they form a different distribution pattern to arrive at a fair conclusion taking into consideration parameters discussed above.

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

**Response:** Let the existing system continue as the Big 3 TSPs [Airtel, Vodafone and Idea] have been effective in reducing the number of Appeals by addressing the complaints successfully at 1<sup>st</sup> stage. **TRAI must conduct a special audit of Reliance and Tata** as to why the number of Appeals is abnormally high and impose heavy penalty to restore confidence in consumers for availing Telecom services.

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

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

**Response:** In the affirmative for the following reasons,

- We are unsure if the Appeal disposed by TSP is to the satisfaction of the consumer or not. Hence, the appeals Registration and Disposal system must be made accessible to the TRAI designated Authority [Telecom Ombudsman] to conduct special audit whenever necessary.
- Any consumer complaint registered with TSP can be examined by this Authority.
- Authority shall have the power to - levy suitable penalty in the form of refund to the customer or affected group of customers, recommend any changes in the systems of TSP to discourage them from taking consumers in masses for a ride – For instance, in the Pre-Paid Wireless Segment, [consumers always complain about Balance Deductions](#) that happen without their explicit consent for no services availed by them.
- Authority shall have the power to waive off billing charges for the period the consumer has not been provided the promised service. Further, if TSP has not resolved the issue within 48 hours of the complaint registration, Authority shall be empowered to give credit to the consumer's account for loss of services based on the plan he is enrolled into, calculated on pro-rata basis which can go up to 5 times the consumer's regular bill [This takes care of Individuals, SMEs as well as Corporate Customers as we are not going to set pre-define number like 1 Lakh or



5 Lakh and is dynamically linked to the subscriber's bill plan]. In case of Pre-Paid segment, average spend for the last 30 days be calculated and pro-rata refund be awarded which can also go up to 5 times depending on the gravity of the case. [I have seen Broadband Lines going down for Weeks, only such harsh penalty can restore consumer confidence] If the consumer is unwilling to stay with the same TSP after dispute resolution, then **monetary award shall be made payable in cash to the consumer** who is eligible to seek the same in his appeal.

- This Authority shall not collect any penalty to its own office or to the Government of India but shall only facilitate by means of intervention between the disputing customer and TSP by substantially awarding the consumer with pecuniary benefits as detailed above and function as an office of not for profit.

**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?

**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?

**Response:** TRAI acknowledges and appreciates the existence of Ombudsman in other sectors. The Office of the [Banking Ombudsman under RBI](#) has been really successful to resolve consumer disputes and you have rightly said so in paragraph 2.15.

TRAI shall setup **at least one office of Telecom Ombudsman** to begin with and provision shall exist to open more at different Geographical Locations in India barring Metro cities following equitable distribution model. Telecom Ombudsman officers shall be empowered to discharge duty as already discussed in response to Question 3 & Question 4 above, along with the following powers as discussed below,

- Telecom Ombudsman shall only **handle consumer complaints not resolved even after the response by the TSP's Appellate Authority** in the existing Two Tier complaint redressal system which shall continue to function.
- Small Value disputes shall not be entertained by the O/O of Telecom Ombudsman and TSPs Appellate Authority ruling shall be binding in such cases.
- O/O Telecom Ombudsman shall be funded from the [Universal Service Obligation Fund](#) to the tune of 50% and the remaining 50% collected from TSP members. Some TSP members may object to this stating that they have less than 0.01% of complaints appealed when compared to the Large Subscriber Base they possess. In order to reward Good TSPs and punish the Erring ones because of whom a situation has arisen to setup this office, the **50% funding by TSP members shall be directly proportional to the number of complaints registered against TSP with the Telecom Ombudsman**. Higher the Number of Complaints, Larger the contribution. This model of operation will definitely discourage TSP from ignoring customers and taking them for granted without resolving their disputes as is visible with [Reliance](#) and [Tata](#). TSP shall pay their dues in running this office at the end of every quarter.



- We are in an era of Digital Convergence where Telecom Companies offer / closely work in Banking & Financial Services domain. In this regard, we should **empower the Telecom Ombudsman to directly contact the RBI's Banking Ombudsman to resolve consumer disputes** which may arise as discussed in detail in **Annexure A** of this submission.
- There are over 30 web services / apps / Startups like MouthShut, Akosha, ComplaintBox, [Consumer Complaints](#), Facebook, etc who have been receiving thousands of complaints from consumers every day. These Private Entities [Individuals, Firms, Companies, etc] should be given an opportunity to resolve disputes with the TSP and it should be made mandatory for TSP to respond to complaints registered on such sites. **Consumer can continue to interact with TSP through these platforms which promotes transparency in Customer Service. If consumer so wishes, he can authorize these Private Entities to Appeal the Matter and as well take it up to the Telecom Ombudsman.** However, any benefits awarded by the Appellate Authority / Telecom Ombudsman shall directly benefit the Consumer. Kindly incorporate necessary changes to facilitate the same as these days entrepreneurs are eager to build a new transparent eco-system.
- Some TSPs sell Hardware [Mobile, Tablet, Laptop, Modems, etc] along with their service. It is essential to **extend the scope of this Paper to cover anything sold by the TSP to Consumer.** In case of Hardware, there shall be at least 12 months (or more) replacement warranty. Maximum award to the consumer in case of Hardware shall be limited to Twice the cost payable in cash [No Vouchers, Gift Cards etc] which the consumer had paid to procure the same from the TSP.
- Time is the essence of any service. Kindly set suitable Time Limits for appeals disposal.
- Award of Telecom Ombudsman shall be appealable before the Chairman of the TRAI, if and only if it exceeds certain monetary value.

Should TRAI require any further inputs in this regard, please feel free to touch base with me.

Sincerely,

Chetan S Patil

16<sup>th</sup> of August, 2016



## Annexure – A

We often use the Internet to do some online commerce transaction. For instance, consumer recharges his BSNL Pre-Paid Mobile using the Web Interface. The transaction fails somewhere in the middle, but consumer gets a message from his bank account about transaction being successful. Money gets deducted from consumer's Bank Account but BSNL does not give credit because they would have not received the credit of the same. The entire transaction processing is opaque to the consumer as there are Multiple Payment / Processing Gateways involved.

In such cases, when consumer raises a complaint with BSNL, they say they have never received any such credit into their account. When the consumer contacts the bank, they give a [reference number which is not traceable at the merchant \(BSNLs\) end](#). To resolve such kind of disputes, Telecom Ombudsman must be empowered with appropriate powers to contact RBI Ombudsman and resolve the dispute.

69 Years have passed since India attained her independence, yet the Government doesn't want to take ownership / accountability of services. Let a new trend begin with the Telecom Ombudsman going beyond his office and who shall be vested with powers to investigate Customer Complaints with Banks / Financial Institutions in a time bound manner and put a smile on the face of every citizen.

