

RJIL/TRAI/2020-21/274
27th October 2020

To,
Sh. Asit Kadayan
Advisor (QoS)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg, New Delhi – 110002

Subject: Comments on Consultation Paper on Review of The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2006 dated 1st September 2020.

Dear Sir,

Please find enclosed herewith comments of Reliance Jio Infocomm Ltd. (RJIL) on the Consultation Paper on Review of The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2006 dated 01.09.2020.

Thanking You,
For **Reliance Jio Infocomm Limited**,

Sd/-

Kapoor Singh Guliani
Authorised Signatory

Enclosure: As above.

Reliance Jio Infocomm Limited response to the TRAI Consultation Paper on 'Review of the Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2006' dated 1st Sept' 2020

1. Reliance Jio Infocomm Limited (RJIL) thanks the Authority for opportunity to provide its views and submissions on Consultation Paper on 'Review of the Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2006' dated 1st September 2020.
2. At the outset, we submit that Metering and Billing Regulations and related audits have been the bulwark of the consumer protection in the era of pulse based charging and have been effective to ensure compliance with TRAI Regulations/Directions/Orders and ensure correct charging for the consumers. However, we feel that with the large-scale adoption of the flat charging since 2016, most of the provisions under the Regulations and audit check points have become redundant and should be removed.
3. The flat tariffs have ushered in a new era of telecom tariffing in the country, with data replacing the voice calls as central focus point of most tariff plans. The tariffs are now differentiated basis the data allocation under a recharge voucher and how that data will be provisioned i.e. daily basis or monthly basis and other variants thereof. The voice minutes and SMS and any other benefits are generally bundled along with the data in most popular plans by all service providers. Further, most tariffs provide unlimited or sufficiently high quota of free voice minutes and SMS alongwith data quota, thereby limiting the role of metering and billing audits for such plans.
4. Under the current tariff structure, the average consumption is always less than the plan allocation under various heads like Data, Voice and SMS, thereby leading to a situation where the customer pays one time fixed charges in the form of recharge of minimum monthly charge in postpaid and is not charged anything more for the regular consumption heads, thereby obviating the need for auditing of charging mechanism. Consequently, we understand that most provisions of the Regulation have become redundant.
5. Additionally, the adoption of centralized billing systems and all India uniform tariffs by service providers across all LSAs have further reduced the requirements of extensive metering and billing audits for each LSA. Clearly, as the configuration is same of all licensed service areas, no purpose will be served by auditing the same for all 22 LSAs and if required the audit can be done of maximum 2-3 LSAs as an abundant caution.
6. Therefore, we submit that in view of the current market realities of flat based tariffs, centralized billing and pan-India tariffs, the sampling of the tariffs for the audit should be reduced and the frequency of the audits should be reverted back to annual or six-monthly,

and, in any circumstances, there is no case of reviewing the frequency of audits upwardly from the current quarterly audits.

7. We further submit that the advent of data centric technologies and proliferation of wireless broadband, all across the country, has altered the mode of communicating the tariffs to the consumers. With most of the consumers opting to recharge from self-care applications or TSP website, the self-care app and website have emerged as the main mode of communicating the tariffs and related conditions, a fact also implicitly acknowledged by the Authority under the Direction on tariff publication dated 18th September 2020.
8. We submit the evident adoption of digital mediums by the consumers, the requirements of giving tariff, regulations and connection related information in paper form has become practically redundant. As you are aware that most of this information is being provided to the prepaid customers as part of the Startup Kit and as part of welcome letter to the postpaid customers, however with the availability of the self-care apps, this information can be accessed with a swipe of a button in an interactive manner. Furthermore, with the introduction of eSIM in last one year and its inevitable popularity across device manufacturers, promotion of contactless behaviour including KYC, and the environmental concerns pertaining to unnecessary use of paper implies that the time has come to remove these requirements in paper for prepaid subscribers as well.
9. We further submit that the excessive levels of financial disincentives, as are prescribed under the current framework of metering and billing accuracy and audit regime, do not go hand in hand with the philosophy of co-regulation and collective management being promoted by the Authority in last few years. Therefore, the financial disincentives need to be completely done away with and if at all, should be toned down.

10. Conclusions

- 1. The sampling of tariff plans should reflect the new paradigm in telecom tariffs and should be reduced considerably.**
- 2. The periodicity of the audits should also reduce in view of simple and pan-India tariffs.**
- 3. For pan-India tariffs only a representative number of LSAs i.e. 2-3 LSAs should be audited.**
- 4. The audit checklist of transparency requirements should also reflect the prominence of digital mediums and the checklist points pertaining to written communication should be removed.**
- 5. The Financial disincentives should be done away with or rationalized at the least.**

Issue wise response

Q.1: What changes are suggested in the sampling methodology in order to make it more representative of the post-paid and prepaid user segments or different types of tariff plans? Should the full spectrum of tariff plans be subject to audit? What considerations are required to be taken to address the issues or concerns related to the incidences of wrong charging specially in case of data packs, STVs, multiple tariff packs at a time, etc.? Please give your views with detailed justification.

RJIL Response:

1. We submit that it is relevant to re-visit the background of the current sampling methodology before examining the need and kind of changes required in sampling of plans for audit under the changed market realities. The current mode of sampling the tariff plans for audit is prescribed under the Regulation 6A of the Quality of Service (Code of Practice for Metering and Billing Accuracy) (Amendment) Regulations 2013 (4 of 2013). We submit that this sampling methodology was adopted post much deliberation by the Authority basis the then prevailing tariff structures, which had prevalence of per minute tariff plans, per second tariff plans, different types of rate cutters, multiple levels of volume based STVs and Combo Vouchers and Top-ups along with VAS services. Therefore, to ensure representative audits, all types of tariffs including plans, STVs and Data Plans were included in the sample for auditing CDRs.
2. However, since the 2013 Regulations, the tariff structure have been considerably simplified. The earlier tariff plans offering voice as a basic tariff item with data as add on to the voice with per pulse charging have been replaced with plans with unlimited / monthly / periodical entitlements and benefits. Currently data is generally main part of each tariff plan, therefore the requirement to audit 2 data plans separately has become superfluous. Similarly, the standardized offering of a large number of free SMS in each plan helps the TSPs to configure the tariffs in the system in a far simpler manner and also ensures all the subscribers opting for such plans be charged similarly irrespective of the service area they belong to. This has enabled ease of understanding of tariff amongst the subscribers. In view of the reduced types of tariff plans and simpler tariff plans with sufficiently large entitlements under different tariff heads, the need of auditing the charging mechanism and consequently most provisions of this Regulation has become completely redundant and should be repealed.
3. Nevertheless, in the case the Authority wishes to continue with the requirements, we request you to reduce the sampling requirements for auditing CDRs, in view of the changed tariff structures across the TSPs. Most TSPs are now providing similar benefits across all LSAs and this should reflect in the reduced sample size for audit. Therefore, we submit that the audit should be carried out for at most 2-3 LSAs, for a tariff plan applicable in all LSAs.

4. Additionally, even if any tariff plans, data packs or STVs are offered differently based on the market dynamics and based on usage pattern of the consumers, TSPs ensure to conduct rigorous testing and create use-case scenario to check for any inconsistency in tariff plans before introducing the tariff in the market. This not only help TSPs to identify any wrong charging event proactively, but also reduces any complaints that are received from these subscribers for incorrect charging. Hence, considering the ease of understandability of tariff structures and proactive check of test scenarios, it is felt that issues and concerns related to wrong charging are dealt before-hand. However, still in case of wrong charging, the timelines mentioned under current regulation to refund excess amount to subscriber are sufficient and complied with by TSPs. Thus, there is no need for a change in regulations with respect to wrong charging.
5. Accordingly, RJIL submits the following.
 - a) **As many of the provisions of the Regulations have become redundant, these should be suitable recast in view of revised telecom tariff structures prevalent in market. Since, the tariff structure offered by Service Providers are simpler, subscriber awareness on tariff has improved considerably. It is submitted that sampling for audit should be reduced sufficiently to keep it representative.**
 - b) **We submit that the audit of tariff plans should not be merely considered basis the ratio of prepaid to post paid subscribers which is not a relevant factor in current prevailing tariff structures and therefore should not be considered as a base for change in structure of current sampling methodology.**
 - c) **For those Tariffs which are common for all the circles, audit be done on sample circles e.g. 2-3 LSAs of the choice of auditor and observation related to the same may be made applicable for LSAs.**
 - d) **Any wrong charging incidences should continue to be treated as per current regulations and the same can be audited by the TRAI empaneled auditor for authenticity and submission of Action Taken Report to TRAI. This shall help TSPs, Auditors and TRAI for quick inference of audit observations and put forth better transparency in audit thus ultimately benefiting the consumer. This will save much time and resources of TSPs and auditors which can be focused on other audit areas under purview of COP defined by the Authority.**
 - e) **Since, the change in tariff structure from per min / second charging has been replaced with unlimited / fixed daily / monthly entitlements, most of the tariffs are similar in nature barring the data component. Under such circumstances, considering the entire**

spectrum of tariff plan will not add any value, rather will be counter-productive. Also, conducting audit of entire tariffs will require additional manpower, increase in audit periodicity and may cause unnecessary delays in audit related activities and would be akin to over-regulation, therefore this should not be contemplated.

Q.2: How IT tools and new technologies can be used to adopt preventive and proactive ways to avoid occurrences of error in charging or wrong configurations leading to charging? Whether the IT capabilities of other systems available with the service provider may be made available to the auditor for audit purposes? How such tools developed for rigorous testing before launch of new tariff plans can also be used for audit purposes? Please give your views with detailed justification.

RJIL Response:

1. Service providers undertake enough pro-active measures while configuration of tariff plans in the system. As mentioned earlier, this also includes rigorous pre-launch test of tariffs. Further, as highlighted by TRAI in its consultation paper on the subject, TSP have devised various other inhouse system for Revenue Assurance and Fraud management for identification of any revenue leakages or any anomalies leading to billing and charging complaints. Categorizing and analysis of complaints from the subscribers is also a part of these systems. Such inbuilt mechanism not only ensures correct charging to the subscribers in line with the tariffs and rates offered to subscribers, but also minimizes complaints related to billing and charging. TSPs have devised a process for internal audit of these systems so as to ensure they are working as per the expected output.
2. **However, we submit that both TSPs and auditors have a separate role to play. Role of auditor is to find any billing and charging issues by processing the raw CDRs and rate them as per tariffs published by TSPs to its subscribers, whereas role of TSPs is to analyze the observation of auditors and correct their systems in case of wrong charging.**
3. It is submitted that Auditors role should be as an '*Independent Checker*' and should not be dependent on IT Systems of TSPs to conduct metering audit. Currently, auditors have set tools and algorithm of their own for rating systems to process the raw CDRs. Both tools should work independently and there should not be any dependency on the systems developed by the TSPs as this may influence the output, lead to ambiguity and confusions on accuracy of the observations. Further, IT system deployed by TSPs are the proprietary of these TSPs and access is limited due to Licensing restrictions, Information Security policies, User access restrictions, system integrity issues etc. Hence, any direct access to such systems should not be encouraged by TRAI.

4. Even though there is no need for auditors for providing access to in house system of service provider, still an overview of configuration of tariffs under selected plans can be explained to the auditors making the audit much easier for them which can provide better transparency for conducting audit.
5. It is also submitted that auditors should be given free hand to develop their own systems to derive billing accuracy. Any standardization of the audit systems may limit the output and capability of IT deployment of audit systems deployed by auditors as they not be able to introduce any innovate technology which may provide better output. At the most, TRAI may conduct periodic audit of systems developed by auditors so as to ensure accuracy of processing the data of such IT tools developed by auditors.

Q.3: With the evolution of new technologies and mediums to provide information related to terms and conditions, tariff details to the customers at the time of subscriptions or making it available as and when required by the customers, what changes are required to assess delivery of information in timely and appropriate manner? Please give your views with detailed justification.

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Q.4: What IT-enabled measures need to be considered to ensure consistency of the tariff information across the different channels or mediums? Please give your views with detailed justification.

RJIL Response:

1. The advent of data centric technologies has ushered in more transparency through the digital communication mediums. As the majority of tariffs are differentiated only on data and a large number of subscribers are internet and social media savvy, the Tariffs, FUPs, STVs offers and benefits related information can be provided in a better manner to the subscribers using these channels.
2. Various modes and medias like website, mobile application, social media, brochure etc. are used not only to provide such information to the subscribers but also educate and empower the subscribers to choose the tariffs, data packs, STVs of their own choice. Such services are activated only post consent and payment made by the subscriber including maintenance of such records by TSPs for specific period in their systems. Thus, subscribers are empowered to choose any packs, STVs or tariff plans as per their choice through online applications and websites.
3. Subscribers are also empowered to analyze and monitor their usage pattern, call records, study offers, enable and disable VAS Services, buy packs and STVs as per their choice just click away on the self-care apps on their handsets. This has not only resulted into satisfaction of

subscribers but also lead to fewer calls on call center related to tariff and offer enquiry by the subscribers. In addition to the rights and liabilities detailed Terms & Conditions empowering subscribers are also available on the website. Further, all tariffs by TSPs are available simultaneously at the TRAI's Tariff portal enabling subscribers to choose best tariffs of the TSPs according to usage and needs and do comparative analysis. Authority may make consumers more aware of such comparative tool and encourage them to visit the tariff portal for detailed comparative of tariffs as per the plans launched by them.

4. The importance of web based interfaces for enhanced transparency has also been acknowledged by the Authority under direction on Tariff Publication dated 18th Sept 2020.
5. **We submit that in view of the prevalence and adoption of digital mediums of communication, the Authority should remove the requirements of providing tariff related details to the subscribers, in written, altogether. The requirements should pertain only on effective communication through app and website and the audit should also limit itself to monitoring the said communication through these mediums only.**

Q.5: What changes are suggested in handling of billing complaints? Whether defining what constitutes billing complaint may help in bringing uniformity? Whether higher frequency of audit of complaint handling would help in improving effectiveness of complaint redressal mechanism? Please give your views with detailed justification.

RJIL Response:

1. We submit that changed structure of tariff has led to simplification of tariff which is easily understood by the subscribers. Subscribers are empowered to select their own tariffs, STVs and data packs from available cluster as per their choice based on their requirements. With adoption of digital means for buying and recharging of telecom products and services, the customer has become well versed with the tariffs and billing related matters, as these means offer easy and comprehensive ways to provide information / compare tariffs / easy access to detailed T&Cs. Overall increase in transparency has witnessed reduction in overall billing complaints landing on call center. Further, data pertaining to the same are submitted periodically to TRAI and as and when sought for.
2. Further, in times of heightened tariff competition, it is in interest of TSPs to minimize the billing complaints and keep the subscribers satisfied as nobody can afford to lose them. Hence, all complaints are taken seriously by TSPs, well defined process of RCA is conducted on such complaints and these complaints are closed only upon well satisfaction to the subscribers. As per our records, there are no instances of increase in billing complaints or unsatisfactory resolutions.

3. Existing process of categorizing and establishing Root Cause Analysis of billing complaints are well defined and it is felt that there is no further requirement for micro regulation on further defining the billing complaints. Also, the current M&B audit check list related to 'Complaint Handling' under existing CoP is exhaustive and suffice the requirement of TRAI to infer process of complaint handling mechanism of TSPs.
4. **To say that higher frequency of audit will bring improvement in complaint handling has no factual basis as TSPs are well equipped to handle such complaints and periodicity of audits can hardly impact the set processes.** Any further audit, micro control or changes in existing mechanism may not only lead to change the current process but also will also put constraints on TSPs limiting their freedom to handle such complaints.
5. **Accordingly, we are of the view that the mechanism to handle billing complaints should be left to TSPs who are responsible to satisfy their subscribers in order to retain them. Any changes or increasing the periodicity of audit will adversely affect the freedom of TSPs thus diminishing the quality and methodology of handling such complaints.**

Q.6: To conduct special or peer audit, where old records might be required to carry out the audit, what may be prescribed to ensure that the relevant details are maintained for sufficiently long period and made available to the auditor in a timely manner for conducting the audit? Please give your views with detailed justification.

RJIL Response:

1. The Authority, in its explanatory memorandum for M&B Regulations 2013 had mentioned the sample CDR audit for a month in every quarter which shall be representative of the whole year. This was not contested by the TSPs and the audit is being conducted for selected plans on quarterly basis.
2. Further, the Authority, in June 2012, issued Direction to TSPs to maintain a Master Table containing details related to the date of configuration of numbering series or tariff plans/Special Tariff Vouchers (STVs), rectification of problem, refund, and related details. This table is being submitted to Auditors for analysis as per well-defined audit process. Further CoP contains well defined and an exhaustive procedure and checklist for TSPs and auditors to conduct an audit in fair and transparent way. Further, provision to the regulation also prescribe regular information to be provided to TRAI by the auditors on status of audit for any incidents of over and under charging.
3. Thus clearly, the current process of Metering and Billing audit is exhaustive and sufficient so as to infer the audit observations and to further deal with refunds and adjustment of wrong

charging events. It is a well agreed fact that TRAI has complete control and checks on ongoing audit process round the year hence, it is felt that currently there is no requirement to conduct any special or peer audit. Since, the auditors appointed by TSPs are from the list of agencies empaneled by TRAI, these auditors should be termed as face on behalf of TRAI. Hence no further special or peer audit should be conducted by TRAI which shall burden the manpower and resources of TSPs further.

4. **Further, if any reason arises say numerous complaints found from the subscriber for a particular billing plan or STV or Data packs, TRAI may direct the appointed auditors to conduct the audit of such plans / STV or pack in due course and the periodicity of the audit being conducted by them with respective TSPs. Audit of such plans / STVs or Data packs can be termed as Special Audit. Another way round is TRAI may randomly ask the M&B auditors to select any random plans/ STVs or data packs say 2 for each quarter in addition to the one mandated as per the Regulations. Such sample packs and plans can be termed as Special Audit or Peer Audit and Reports as well as ATR can be submitted for these selected plans as a part of submission mandated by TRAI.**
5. **However, since TSPs are dealing with maintenance of millions and billions of Call Data records. Holding and Maintaining CDRs for a longer duration and further retrieving such old records involves lots of resources and man hours to be spent for which is not required as the current audit process suffice enough the objective of the Regulator on resolution of issues related to billing and charging.**

Q.7: Should the Regulation 6C, Regulation 6D and Regulation 6E of the regulations dealing with consequence for failure of the service providers to submit audit report and action taken report, consequence for failure of the service providers to refund overcharged amounts to customers and consequence for failure to provide comments on audit observations in the Action taken report respectively be retained as it is or they need to be altered/strengthened. Pl support your views with rationale.

RJIL Response:

1. We submit that the current provisions for Financial Disincentives is too high and unjustified. The Authority must relook into this and reduce the amount of Financial Disincentives under the aforementioned Regulations. The Authority is also requested to relook into the time frame for submission of audit reports and ATR and this needs to be extended in case of any changes are incorporated in the existing Regulations e.g. any revision in the sample of tariff plans and change in procedure of audit methodology etc. As this may result into additional resources of TSPs as well as auditors thus directly increasing the timelines for conducting such audits as per the revised procedures. TSPs should be given additional timelines for submission of audit reports and ATRs.

2. Further, in case of refunds arising due to overcharging events, we submit that the Authority should define the graded timelines for refunds to customers based on the number of customers affected and refund amount to be processed. i.e for e.g. for say 50,000 customers, refund should be processed in 15 days, for 1 lac customers refund to be processed in 30 days and so on and forth. These graded timelines should start from immediate next working day from the date of acceptance of overcharging by TSP in writing. This can be incorporated in Master Table maintained by TSPs.
3. Accordingly, we submit the following:
 - a) **The current amount of financial disincentive towards contravention to Regulation 6C and 6D and 6E is too high and not justifiable. This should be reduced further.**
 - b) **Any changes in sample of tariffs, change in audit methodology which results in additional manpower and additional time, benefit of the same should also be provided to the TSPs by increasing the timelines for submission of audit report and the Action Taken Report.**
 - c) **Graded times lines to be provided to TSPs as mentioned in above paragraph depending on the number of customers whom refund is applicable. These graded timelines should start from immediate next working day from the date of acceptance of overcharging by TSP in writing. This can be incorporated in Master Table maintained by TSPs.**