

## **Information note to the Press (Press Release No. 43 / 2007)**

# **Telecom Regulatory Authority of India**

### **For Immediate release**

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### **TRAI releases the Regulation on effective and speedy redressal of consumers grievances and also Direction to ensure transparency in the telecom billing**

New Delhi, 4<sup>th</sup> May, 2007- Telecom Regulatory Authority of India (TRAI) released Regulation on “Telecom Consumers Protection and Redressal of Grievances Regulations, 2007” which provides for the effective, speedy and inexpensive redressal of telecom consumers. As per this Regulation, Telecom Service Providers, who are providing Basic Telephone Service, Unified Access Services, Cellular Mobile Telephone Service and Broadband Service, including Bharat Sanchar Nigam Limited and Mahanagar Telephone Nigam Limited, are mandated, from the date of commencement of the Regulation, to establish Call Centres within 60 days, appoint or designate Nodal Officers for each area within one month, so that they are easily accessible and available to consumers for redressal of the grievances and also appoint one or more appellate authorities in each licensed service area within three months. Service providers are also mandated to publish “Manual of Practice for handling consumer complaints” which basically provides for consumer rights, obligation and resolution of grievances. TRAI also released a direction, regarding information to be included in the telephone bills issued to the consumers by the service providers, to be implemented with effect from 1<sup>st</sup> August, 2007.

2. The exponential growth and competition in the telecom sector has thrown up new challenges for protection of consumer interest. Telecom companies introduce new and effective tariff packages and also value added/ premium rate services. Lack of consumer awareness and at time neglect of consumer aspirations has led to consumer grievances. The consumer is at a loss as he is unable to communicate with the redressal machinery of the telecom service provider. One of the recurring grievance highlighted before the Authority is the lack of information relating to where and how to lodge grievances, the officials of the service providers to be contacted/ approached for redressal of grievance and the time period by which the grievance will be effectively resolved. Although the Department of Telecommunications has directed that the service providers have to set up Consumer Grievances Redressal Mechanism (a) At the Call Centre level and (b) An Appellate Authority within the company, the complaints being received in the Authority show that the implementation of the mechanism has not made an impact on the grievances of consumers. The consumer groups have strongly advocated for regulatory intervention by the Authority and generally look

upto the Authority to evolve institutional mechanism that would ensure the protection of the consumers' interest.

3. The Authority is convinced that the effective redressal of consumers' grievance must lie with the service provider. TRAI Act does not provide for dispute resolution of individual consumers at the level of the Authority. In case, the consumer is not satisfied with the redressal by the service provider he can take legal recourse through consumer courts. Disputes between service providers and a group of consumers fall in the domain of Telecom Dispute Settlement and Appellate Tribunal (TDSAT). The licences issued by the Department of Telecommunications mandate the Licensee to notify in writing all the arrangements with respect to repair, fault rectification, compensation or refunds etc. These licences also provide that all complaints will be addressed/handled as per the guidelines, order or regulation or direction issued by the licensor or TRAI from time to time.

4. It is in this background that the Authority had undertaken public consultation on the Redressal of Consumer Grievances and Consumer Protection in Telecommunications by issuing a consultation paper including draft regulations on the proposed institutional mechanism on 3rd January 2007. The Authority held open house discussions at Delhi on 27.2.07 and at Bangalore on 28.2.07. The Authority received a wide range of comments from stakeholders including service providers, industry associations COAI and AUSPI, consumer organizations/ consumer advocacy groups (CAGs) and a few individuals and telecom consultants etc. Keeping in view the stakeholders' comments and in order to raise the level of satisfaction of telecom consumers, a strong case was made out to regulate institutional mechanism including procedures and practices for handling consumer complaints and their speedy and effective resolution, as is prevalent in many countries across the world.

5. The Authority has made the Regulation without affecting the consumers' legal right to approach the courts at any time. The institutional mechanism specified in the Regulation is on the principles of soft touch regulation focusing primarily on self-regulation by service providers for the redressal of grievances of telecom consumers. The Authority hopes that the Regulation would ensure effective, speedy and inexpensive redressal of grievances of consumers of telecom sector and would reduce the litigations in the courts constituted under the law to adjudicate complaints of consumers.

6. **The salient features of the Regulation on "Redressal of Grievances of Telecom Consumers and their Protection" are summarized below:**

- a. The **institutional mechanism** provides for resolution of consumers' grievances within the company and is subscriber centric. It mandates structural framework at the level of Call Centre, Nodal Officer and appellate authority. It also mandates the procedures and time limits for redressal of grievances.
- b. Consumers may contact the **Call Centre** of service provider on toll free number at the first instance for redressal of their grievances. All the

complaints, pertaining to fault repair, service disruption and disconnection of service shall be attended within a maximum period of 3 days and all other complaints shall be attended by the Call Centre within a maximum period of 7 days, subject to time limits laid down in Regulations on Quality of Service. The Service Provider shall ensure that Call Centre:-

- i. register each complaint by allotting a unique identification number to be called the docket number and communicate docket number to the consumer.
  - ii. intimate the action taken on the complaint to the consumer through telephone or other electronic means or any other means within the time limit specified.
  - iii. intimate contact details of the Nodal Officer (including his name, telephone number and address) to the consumer in case a consumer is not satisfied with the redressal of his grievance or when requested by him
- c. In case the consumer is not satisfied with the redressal of his grievance at the Call Centre level or in case the Call Centre within the above time limit does not attend to the complaint, he may approach the **Nodal Officer** for redressal of his grievance. All grievances received by the Nodal Officer with respect to fault repair, service disruption and disconnection of service shall be got redressed within a maximum period of 3 days and other grievances shall be redressed by the Nodal Officer within a maximum period of 10 days of the registration of the grievance. The Service Provider shall ensure that Nodal officers:-
- i. communicate within three days from date of the receipt of the complaint, the unique complaint number to the consumer.
  - ii. intimate after taking the remedial measure for redressal of the grievance or decision thereon within the time limit specified to the consumer.
- d. In case the consumer is still not satisfied with the redressal of his grievance by the Nodal Officer or in case his complaint is not redressed by the Nodal Officer within the time limit specified or no reply is received regarding resolution of the complaint from Nodal Officer, he may appeal to the **appellate authority** for redressal of his grievance and the appellate authority shall decide every appeal within 3 months.
- e. The service provider shall publish a “**Manual of Practice for handling consumer complaints**” outlining the various provisions, time limits, benchmarks and procedures for seeking redressal of grievances including information which affects the consumers.
- i. The Manual shall be available for reference at every office of the service provider, the Nodal Officer and the appellate authority; at the Call Centres, Sales outlets and Website of the service provider.
  - ii. A copy of the Manual or its abridged version (containing salient features such as terms and conditions of service, contact details of

Call Centre, the Nodal Officer and the appellate authority, procedure and time limit for redressal of grievances) shall be provided by the service provider or his agent to each consumer at the time of his subscription for service.

f. **Providing usage details in respect to Pre-paid mobile connections:**

The service providers on request from any consumer, at a reasonable cost, shall provide information relating to the itemized usage charges showing actual service usage details in terms of all call data records including value added services, premium rate services and roaming charges, and their monetary value.

7. Recent survey on Quality of Service sponsored by the Authority revealed that about 80% subscribers have difficulty in understanding their telephone bills. The consumers and consumer advocacy groups (CAGs) had brought before the Authority that the telephone bills issued by the service providers are neither transparent nor easy to understand. The Authority had a limited consultation with the stakeholders on the issues connected therewith and is of the opinion that the dissemination of necessary information relating to the telephone service (including rates of service and actual charges thereof) through telephone bills is a cost effective and convenient mode. **Accordingly, today, the Authority directed the service providers, that the information such as applicable Tariff Plan, credit limit, security deposit, methodology for calculations of various pulse rates and charges, procedures regarding payments of bills, setting up of public grievance mechanism and display of customer information box with certain information etc, shall be printed in easily readable font size and be included in the telephone bills issued to consumers.** It is hoped that implementation of the direction would significantly reduce the number of billing complaints.

The “**Telecom Consumers Protection and Redressal of Grievances Regulations, 2007 (3 of 2007)**” and “**Direction on information to be included in the telephone bills issued to the consumers by the service providers**” is available on TRAI’s website: [www.trai.gov.in](http://www.trai.gov.in)

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Authorized for Issue

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