

**Bharti Airtel Ltd.**

India & South Asia

Airtel Center, Plot No. 16,

Udyog Vihar, Phase - IV,

Gurugram - 122 015

www.airtel.in

Call +91 124 4222222

Fax +91 124 4249063



TRAI/FY23-24/010

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**Shri Tejpal Singh,  
Advisor (QoS-I)**

Telecom Regulatory Authority of India,  
Mahanagar Door Sanchar Bhawan,  
JawaharLal Nehru Marg,  
New Delhi – 110 002

**Subject : Bharti Airtel's Comments on Draft Regulation on Review of "The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023"**

**Reference : TRAI's Draft Regulation on Review of "The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023" dated 24.02.2023**

Dear Sir,

This is in reference to TRAI's Draft Regulation on "Review of The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023" dated 24.02.2023

In this regard, please find enclosed our comments on the captioned draft regulation and draft guidelines for your kind consideration.

Thanking You,

Yours' Sincerely,  
For **Bharti Airtel Limited**

A handwritten signature in blue ink, appearing to read 'Rahul Vatts', is written over a white background.

**Rahul Vatts**  
Chief Regulatory Officer

Encl: a.a

**Response to TRAI's Draft  
Regulation on Review of "The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023 (XX of 2023)"**

**Introduction:**

Airtel thanks the Authority for providing the opportunity to present its views on the draft Regulations on 'Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023.

Both Telecom Service Providers ("TSPs") and TRAI have always endeavored to safeguard the interests of customers by ensuring that metering of telecom service usage is carried out accurately and billing complaints are swiftly resolved. The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulation, 2006, issued on March 21, 2006, was another such attempt by the TRAI and amended as and when deemed necessary. It includes a Code of Practice for Metering and Billing Accuracy that applies to all access providers. The main objectives of the code are as follows:

- Establishing uniform and transparent procedures for service providers w.r.t metering & billing.
- Defining standards for measurement accuracy and billing reliability.
- Periodically assessing the accuracy of billing provided by service providers and comparing it to established norms to evaluate performance levels.
- Minimising billing complaints.
- Protecting the interests of telecommunications service consumers.

TRAI has issued regulations, directions, and guidelines since its inception to maintain a balance between the needs of TSPs for flexibility and freedom in designing tariff plans and ever-changing market dynamics. Over the years, it has gradually shifted towards deregulation and minimised regulatory compliances to facilitate the ease of doing business.

Airtel notes that the Consultation has been centered around the challenges posed by evolving situations in telecom networks, evolving usage patterns among subscribers, and the advancement of IT capabilities among TSPs. One example of this is the introduction of new tariff plans that offer unlimited data or voice with fixed charges on a daily/monthly/yearly basis, which have shifted the emphasis from itemised billing to a guaranteed amount of data, voice and/or SMS.

**The relevance of the Code of Practice ("CoP") and regular Audit of Metering and Billing system:**

The CoP for Metering and Billing has been designed to cover the entire lifecycle of a customer, including onboarding, usage parameters, metering, charging, billing, complaint handling, and communication modes. Service providers have always aligned their processes with TRAI regulations/directions, strived to bring uniformity and transparency in all they do and through it all be accurate and reliable. Regular assessments of performance through internal and statutory audits are done to minimise billing issues and process gaps.

Flat tariffs have replaced pulse-based charging, with data being the central focus of most tariff plans. Voice minutes and SMSes are generally bundled along with data in popular plans. IP-based networks have shifted billing from per second/minute-based billing to data volume-based billing. Most of the tariffs provide an unlimited or sufficiently high quota of voice minutes and SMSes along with data quota, resulting in a situation where the **customer pays one-time fixed charges obviating the need for auditing the charging mechanism.**

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**TSPs at the forefront of ensuring M&B accuracy:**

Given the existing and very prescriptive M&B Regulation and process, **the dynamic size, scale and variation of India's telecom consumers, the constant and changing innovation in technologies, retail market driven competition and tariffs, the TSPs in India have done a commendable job of ensuring M&B credibility and accuracy.**

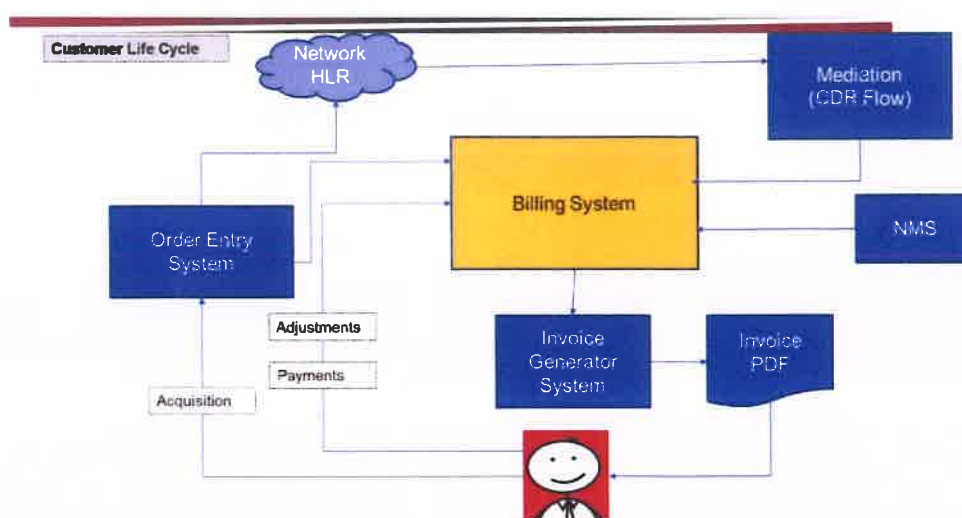
The performance of service providers is assessed based on quarterly submissions of metering and billing credibility parameters, with a benchmark of 0.1% prescribed by the Authority under the QoS regulations 2009. The data from TRAI's QPMR over last few years indicates that the industry has been well within the benchmark. This suggests that there is no need to make M&B audit process any more stringent and, rather, there is a case to significantly deregulate it now.

It also demonstrates that TSPs have robust and certified billing systems in place and undertake proactive measures to prevent irregularities at even a suggestion of any impropriety to ensure audits fall well within defined parameters. **TSPs have also devised in-house systems for billing assurance and fraud management, which have helped minimise complaints related to billing and charging. The existing regulatory framework ensures that tariffs are communicated transparently and categorising and analysing complaints from subscribers is an integral part of the system.**

**From all of this it is more than evident that there are already various steps and processes in place to ensure M&B accuracy and to protect the interests of the consumer.**

The chart depicted below shows the process followed to onboard a customer in the telecom system at high level. It includes how tariff configuration and, ultimately, billing is calculated. For each of these steps, multiple validations take place.

**Chart-1: Customer lifecycle management is robust (onboarding - tariff configuration – billing)**



We further highlight that there are multiple pre-bill and post-bill validations that happen within the system to ensure that the tariff configuration and customer charging and billing is correct. In addition,

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TSPs run further checks and balances like revenue assurance, audits including but not limited to M&B audits. These have been depicted in the following flow of events:

**Chart-2: TSPs have multiple checks & balances at their end, to serve a customer properly**



If, as has been proposed, still more complexity is added to the present M&B Audit, even after such overly extensive and exhaustive checks, it will simply go against the very concept of EoDB, and trust.

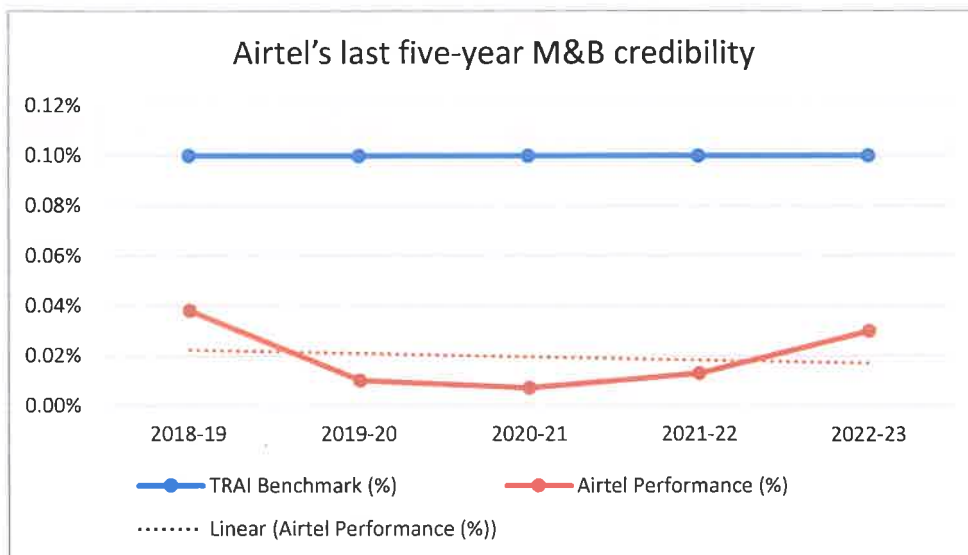
- Such excessive provisions related to the M&B processes (i.e., **system audit and financial disincentives**) will restrict TSPs' ability to conduct their business effectively.
- Although Airtel does not agree with the present exhaustive M&B audit, the sample audit approach within it is more than sufficient, and **there is no need for M&B system audits or self-evaluation.**
- **Further, there is no need for categorisation or grouping of products**, as this would increase the number of products under different groups for Call Data Records (CDR) extraction. It will only add complexity to the system and procedure and require more resources to be deployed by TSPs to satisfy the auditors. Such a proposed layered approach of self-certification along with the multiple audits that are bound to ensue, will pose all sorts of logistical difficulties.

**The resolution and redressal of customer complaints is paramount:**

TSPs take all complaints seriously and conduct well-defined processes of Root Cause Analysis ("RCA") to ensure subscriber satisfaction. There are no instances of non-compliance for billing complaints and resolutions, and the trend of billing complaints is very well within the specified QoS benchmark for metering and billing credibility. The existing QoS regulations provide a well-defined process to handle billing complaints, and the M&B audit checklist related to "Complaint Handling" under the existing CoP is exhaustive.

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**Chart-3: Airtel's last five-year M&B credibility vis a vis TRAI benchmark**



*\*Includes postpaid & prepaid both*

TSPs transparently inform all customers about tariffs on various platforms, including company websites, mobile apps, and retail outlets, with complete details of offerings. Airtel's "Airtel Thanks" application enables customers to access details regarding tariff plans, usage patterns and billed/unbilled amounts.

Service providers already undertake extensive and proactive measures while configuring tariff plans in their systems, including but not limited to rigorous pre-launch tests of tariffs. Further, TRAI in its consultation paper dated 1<sup>st</sup> Sep 2020 on the same subject had highlighted that TSPs have devised various other in-house systems for Revenue Assurance & Fraud management in the event that any revenue leakages or other anomalies come to light that will lead to billing and charging complaints.

Categorising and analysing complaints from the subscribers is also a part of these systems. Such inbuilt mechanisms not only ensure that subscribers are correctly charged in line with the tariffs and rates offered to them, but also minimise complaints related to billing and charging.

Further, taking into account the current market scenario, wherein the changed structure of tariffs has led to the tariff being easily understood by the customers and the customers feeling empowered enough to select their own tariff products from the available clusters as per their choice based on requirements, there is no need for M&B audit.

- TSPs are already well-equipped to handle billing complaints, and any changes to the present M&B audit process will affect their established procedures.
- Further **micro-managing may not only disrupt the current process but also limit TSPs' ability to handle complaints effectively.**

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**Conclusion:**

In view of the above, it is submitted that **the existing measures prescribed by the Authority under various regulations/directions for information dissemination and practices adopted by service providers are more than adequate to ensure transparency, enable customers to make informed decisions about telecom services and protect consumer interests.**

No further micro-regulation is required. Anything further in terms of a more intrusive regulatory framework would be counterproductive and contrary to the TRAI's own policy of light-touch regulation.

Airtel would also like to highlight that it has not come across any similar practices in terms of M&B audits (leave aside such a stringent audit framework) of a TSP anywhere internationally.

**The USA, for example, has no Metering & Billing audit of TSPs/carriers. FCC has not prescribed any such requirement.** Having said that, the FCC does have "Truth-In-Billing" rules<sup>1</sup> that essentially require that telecommunications service charges in the bills be clear and understandable for subscribers in order to reduce slamming and other telecommunications fraud by setting standards for bills. And all regulated carriers are required to respond to complaints from the public that are directed to the FCC<sup>2</sup>.

The above clearly demonstrates that the Regulator in the US clearly trusts the market players and practice.

In fact, in today's competitive era, Airtel believes the time has come for **TRAI to do away with the M&B audit altogether by deregulating it and promoting light-touch regulation.**

**In summary:**

- ✓ The present systems followed by TSPs of metering and billing are not only working well but have matured and become more robust over the last two decades.
- ✓ Industry has been well with the rigorous M&B accuracy benchmark prescribed by TRAI.
- ✓ The time has come to do away with the M&B audit altogether.
- ✓ However, in the event that it is still felt that the M&B audit needs to be retained, then, the existing M&B regulation should be significantly deregulated, and, an audit carried out on a sample basis once a year (limited to one LSA per year).

<sup>1</sup> See <https://www.law.cornell.edu/cfr/text/47/64.2400> and <https://www.law.cornell.edu/cfr/text/47/64.2401>

<sup>2</sup> <https://consumercomplaints.fcc.gov/hc/en-us> , and, <https://consumercomplaints.fcc.gov/hc/en-us/articles/205082880-Filing-a-Complaint-Questions-and-Answers>