CONSUMER PROTECTION ASSOCIATION
HIMMATNAGAR
DIST. : SABARKANTHA
GUJARAT

Comments on

The Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2006

Introduction :

Internal audit is a significant tool in evaluating the adequacy of system control and points out the state of compliance with the applicable laws and regulations, policies and procedures and ensure risk management and promote efficiency.

Analysts estimate that 10% to 20% of telecom charges are billed in error, and the financial impact can range from a few rupees to tens of thousands of rupees a month.

On any given monthly statement the items being over-billed run the gamut of services delivered by the provider, and can include charges for invalid circuits, billing disputes, contractual issues, fraudulent charges, set-up fees and improper rates. These charges can appear on the invoice or

can be buried within the bundled services comprising monthly recurring charges.

We receives billing related complaints from the telecom consumers. The complaints are mainly related to lapses with regard to flows in billing system, configuration of system in accordance with the applicable tariff plan, wrong billing due to linking of wrong tariff plan, malfunctioning of software of the telecom service providers due to which the customers are wrongly billed, etc..

Here are the top five telecom billing mistakes :

1. **Continued Billing for Disconnected Services/Equipment:** Cancelled orders, disconnected lines and returned equipment that is continually billed after the committed stop-billing date. This can occur for months and even years.

2. **Incorrect Services/Third-Party Charges:** Companies are often charged for services like long distance lines they don't own. These fees also include third-party billings for services like online faxing, voicemail and internet security monitoring.

3. **Metering and Database Errors:** Often these include local and long-distance charges, these may occur through transcription errors, metering malfunctions — including double metering — and charges for incomplete calls.

4. **Incorrect Rates/Contract Renewals:** These discrepancies occur with newly installed services that don't receive the quoted rate or discounts, and contract renewals that include lower rates never applied to monthly invoices.

5. **Tax Errors:** Fees applied despite applicable statutes or ruling exemptions, and incorrect taxing jurisdictions. If facilities are taxed incorrectly, associated usage charges are often taxed incorrectly.

6. Billed for Services on Outdated Plans

7. Billed for Services Not Under Contract

8. Billed for Services That Have Become Obsolete

ISSUES FOR CONSULTATION

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.

Question :

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?

Comments :

The need for service innovation led to increasing the complexity of service offerings – product portfolios became extremely difficult to manage

effectively. This in turn entailed moving out product management modules from billing systems and developing modern tools for managing convergent services in the form of product catalogs.

As a consequence of these changes, pricing algorithms have become the core of billing configurations and, as such, define a billing system's capabilities to handle various price plans, such as usage-based, tiered pricing, periodic fees etc.

For telecom service provider, the initial account set-up is only the beginning. The real complexity comes later. The frequent—even daily—requests to move, add, change or disconnect a product or service create huge potential for mis-entered or mismanaged changes to the commercial relationship.

Wrong rate card, missed ETF/change fees, wrong service order or missed customer discounts—all of these and more can cause big errors that directly impact the account management team's efforts to achieve the account revenue plan and the billing team's ability to maintain accuracy with every invoice.

Men made mistakes also leads to billing errors.

There are seven key points of information breakdown that often lead to errors that often start at the account management stage. Which are as follow :

1. **Customer Set Up**.

Once service provider enter the post-signature distribution process, it's essential to establish a complete, accurate Account Revenue Plan. This is derived from the terms service provider have agreed to with their customer—the products they agreed to purchase, key renewal or termination dates, related and in-effect contractual pricing, special terms and conditions.

2. Customer Change Management.

The Account Revenue Plan must be updated continuously as MACD activities happen, so that any discrepancies or missing documents can be identified and addressed quickly. This cannot be a one-time initiative given the frequency of MACDs in the large commercial relationships. It's paramount to implement an ongoing process that maintains the Revenue Plans on a daily basis.

3. Product- and Bill-to-Contract Mapping.

The proper billing accuracy solution should include a reconciliation engine that matches price, product, entity and location. As exceptions are flagged, one should be able to develop additional rules to reflect modified nomenclature and repeat this process on a daily basis.

4. Non-uniformity of Billing between Products.

5. Billing and Audit Team Workload.

In reality, the billing team simply can't afford the productivity drain of finding and applying this information every day. Maximum efficiency

requires an automated reconciliation and audit process that can identify exceptions with ongoing precision.

Several factors significantly increase the risk of billing discrepancies. One is organizational change. Any merger, acquisition or divestiture within an enterprise drives disruption and can result in circuits, lines and services that a customer no longer uses, but that continue to appear on invoices and continue to be paid for.

Another factor is the migration to new technologies, such as SIP, which frequently results in legacy assets and services falling through the cracks. Following a network transition, existing PSTN services often remain in place and continue to be billed. In addition to driving unnecessary cost, this undermines the business case and anticipated savings of the migration initiative by reducing the amount of cost savings realized.

The combination of organizational and technological change, along with carrier intransigence, has wreaked havoc with telecom charges. In this climate, customers are recognizing the need for vigilance and turning to thorough and systematic audits of telecom statements to manage costs and support their network strategies.

New approaches to telecom audits

Approaches to telecommunications audits have evolved in recent years. Initiatives originally focused on validating carrier invoices before payments, and involved experienced telecom professionals reviewing bills and manually peeling back layers of billing to identify the root causes of billing discrepancies. Over time, third-party Telecom Expense Management

(TEM) providers gradually moved to a more profitable cost model that deployed automated software tools and processes. This automation-focused approach, however, tends to be limited to surface layer issues and often misses significant errors at the sub-process level.

Today, customers are aiming to conduct more effective telecom audits by leveraging a combination of automation tools along with a renewed reliance on practitioner expertise. Industry knowledge is being recognized as necessary to ensure that all proper discounts are appropriately applied, that charged rates reflect the governing tariff or contract, that services and/or charges are applicable and that services being used are in working condition.

Alignment between contract terms and actual bills is critical. But because contracting and invoicing involve different activities and skill sets, transparency between the two functions is often lacking, which contributes to disconnects and billing issues. By establishing linkages between contract terms and billed charges, an effective audit can provide the necessary visibility between the two areas. Moreover, aligning utilization with contract terms and invoices helps ensure that circuits being paid for are actually being used, and allows customers to determine which circuits can be decommissioned and which should stay in place.

The ability to analyze invoices at a granular level is also essential, as billing issues are rarely discernible at the cost layer. For example, charges for a circuit are typically based on 3 to 4 Universal Service Ordering Codes (USOCs) or service components. A customer seeking reimbursement for an overcharge on that circuit must identify the specific component that is

driving the overcharge. Moreover, the documentation of how the component for the circuit is being billed only exist in specific reports and records that can only be obtained directly from the carrier via a requisition. In other words, expertise is needed to navigate the maze-like system of telecom billing, to identify where billing anomalies are most likely to occur and to understand what questions to ask when rooting out overcharges.

The financial stakes involved in a TEM exercise are sizable. For example, after implementing a new contract, a financial clearing house conducted an audit of its carrier and found that new rates were incorrectly implemented in the billing system. By identifying the root cause of the error in the billing system and submitting a billing dispute ticket to the carrier, the issue was corrected within a single billing cycle. Subsequently, the customer received credit for the overbilling for the months in question.

Question :

Should the full spectrum of tariff plans be subject to audit?

Comment :   **Yes.**

       Full spectrum of the tariff plan should be audited because :

Telecommunications bills represent one of the most complex types of invoices in the world. Billing engines are designed to deal with complex charging scenarios. However, due to the sheer number of products and services, errors are inevitable. Some of these errors include: discounts not applied correctly, rates not applied correctly, or simply the wrong products being billed.

Billing anomalies are not always the fault of the Service Providers either. It's easy for organizations to make mistakes when ordering services,

resulting in overbilling. Although not technically billing errors, ordering mistakes can cause significant cost blow-outs.

To accurately audit Telecommunications billing, a holistic approach needs to be taken which not only includes checking for errors on the carrier's side, but also on the client's transactional relationship with their carriers. Put simply, every line of carrier billing needs to be validated, and every customer order needs to be checked. No third party auditor can successfully put forward a claim against a Service Provider unless both sides are verified.

Quite often claims against carriers are either quickly dismissed or dragged out for extended periods awaiting thorough reviews. The latter usually ends up in some sort of fee settlement to both the Service Provider's and client's dissatisfaction.

There could be different types of charges to be applied for a product and associated services. For a given product, an operator can define one or more of the following charges, but they are not limited to only these charges, there could be some other type of charges :

Apart from monthly rental and usage charges, operators may charge for service initiation, installation, service suspension or termination as well.

Billing Systems

Billing systems are high end, reliable, and expensive softwares, which provide various functionalities. Here is a list of most important features but not limited to the following −

- **Rating & billing** – It involves rating the products or services usage and producing monthly bills.

- **Payment processing** – It involves posting of the customer's payments into his/her account.

- **Credit control and collections** – It involves chasing the outstanding payments and taking appropriate actions to collect the payments.

- **Disputes and adjustments** – It involves recording customer's disputes against their bills and creating adjustment to refund the disputed amount in order to settle the disputes.

- **Pre-pay and post-pay services** – It involves supporting both the pre-paid and the post-paid customer bases.

- **Multilingual & multiple currencies** – Multilingual and multiple currencies support is required if the business is spread across the globe and have multinational customers or else if the government regulations demand for it.

- **Inter-carrier settlements** – It involve sharing of revenue between carriers that provide services to each other's customers.

- **Products & services** – This involves providing flexible way to maintain various products and services and sell them individually or in packages.

- **Discount applications** – This involves defining various discount schemes in order to reduce customer churn and attract and increase customer base.

Billing Types

The widely used billing types are –

- **Pre-pay Billing** – Usually, prepaid customers do not receive any invoice and they are charged in real time by the highly available billing systems called '**IN**'(Intelligent Network).

- **Post-pay Billing** – Invoices are generated by the service provider and sent those invoices at the end of the month to the customers to make their due payment.

- **Interconnect Billing:** Interconnect billing is related to inter-carrier or sometime called partner settlements.

- **Roaming Charges** – Such type of charges are settled through roaming billing.

- **Convergent Billing** – Convergent billing is the integration of all service charges onto a single customer invoice. Convergent billing means creating a unified view of the customer and all services (Mobile, Fixed, IP, etc.,) provided to that customer.

Different Charges :

- **Product Initiation Charges**

- **Product Periodic Charges** – These are the charges, which can be applied on monthly or bi-monthly or yearly basis as a rental of the product and service provided.

- **Product Termination Charges**

- **Product Suspension Charges**

- **Product Suspension Periodic Charges** – There could be a requirement to charge a customer periodically even if a customer is suspended because of some reason.

- **Product Re-activation Charges**

- **Product Usage Charges**

All the above charges are defined (i.e., configured) in different tariff catalogues inclusive or exclusive of applicable tax depending on regulation. These catalogues vary from a billing system to billing system. Some billing systems keep all the prices in a single catalogue and some billing systems keep usage charges separate from other charges.

These catalogues are maintained in the billing system, but they are also made available to front end system so that different tariffs can be applied to the customer while creating customer account.

There are also different concepts, which are closely related to tariff definition –

In-Advance & In-Arrear Charges

While configuring different charges, billing system will give a provision to configure charges in advance and it is always optional for the operators if they want to configure a particular price in-advance or in-arrears.

Proratable & Non-Proratable Charges

Consider a situation, when a customer takes phone connection in the middle of the month and his invoice needs to be generated on the first day of every month. If prices are non-proratable, billing system would charge the customer for the whole, month which would not be fair with the customer. Same apply at the termination, if customer terminates a service in the middle of the month, then operator may not be willing to charge the customer for rest of the month.

Pro-ratable pricing means that they would apply only for the number of days customer is going to use the service. For example, if monthly product rental is Rs.30 and customer used this product for 10 days only, then billing system should charge the customer only Rs.10 for those 10 days.

So billing system should provide an option to configure the particular prices to be pro-ratable as well as non-proratable and let the operators choose what suites them best.

Refundable & Non-Refundable Charges

Where an operator is charging a customer in advance for the whole month, but customer leaves in the middle of the month after using a service for 10 days.

If prices were configured as non-refundable, then they would not be refunded to the customer, but if they were configured as refundable, then they should refunded to the customer. Apart from this, if prices were

configured as pro-ratable, then it would be refunded based on pro-ration, otherwise it should be refunded as a whole.

Charge Overriding Option

A good billing system provides an option to override base prices at the time they are given to the customer.

Duplicate Events :

A duplicate event is defined as any unbilled event that relates to another unbilled event in all of the following ways −

- The account numbers should be identical.

- The event sources should be identical.

- The event type IDs should be identical.

- The event dates and times should be identical.

  Any other criteria can be defined in the billing system to identify duplicate events. There are a number of situations that may cause duplicate events to be submitted to the Billing system like :

- A failure of the mediation system's filtering mechanism.

- Coding errors in the mediation system software.

- A repetition of all or part of an event file being passed to the Rating Engine. Etc..

Rejected Events

When Billing System encounters a problem with a particular event, the offending event is rejected. Rejection may be due to problems with any of the following −

- The event itself.

- The rate plan.

- Customer and account data.

- Configuration data.

There are three main reasons for rejecting an event −

- Parsing errors prevent the Billing System from reading the information in the event detail record. A parsing error may occur because the data in the event record is corrupt or in the wrong format.

- Unguideable errors prevent Geneva from identifying the event source or account associated with the event. An unguideable error may occur because the event source does not yet exist in the Billing System database.

- Unrateable errors prevent Billing System from calculating a cost for the event. An unrateable error may occur because of problems with a rate plan.

All the rejected events are posted to a special account, which is called internal account or suspense account and these rejected events are called suspense events. Finance department keeps track of all the rejected

events and count them as a part of revenue loss. IT department always gives a lot of attention to resolve rejected events and rate them properly to save revenue.

If a rejected event cannot be fixed and the Operator does not want to post it to an internal account, the event can be discarded. When an event is discarded, it will not be submitted to the Rating Engine and no further attempts to rate it will take place.

Rerating Events

There are several situations in which it may be necessary to rerate events. For example, when –

- An error in the rate plan used resulted in incorrectly priced events.

- The events were loaded against the wrong account (due to incorrect event source registration).

- An existing rate plan was replaced at some point between the last and the next billing dates.

- The rate plan, price plan, or event source for a product has been retrospectively changed.

This all we have narrated because only CDR auditing is not sufficient, this whole process should be audited to prevent wrong billing and charging complaint.

Question :

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.?

Comments :

1. TRAI should give Direction that the systems and processes used to generate any chargeable Event and the subsequent pricing of such Events are suitably designed to accurately record usage and enable charging at the correct tariffs, that they are being operated within their designed limits and that there is reported evidence of performance. In the event of overcharging the remedial action should be taken.

2. This Direction should recognize that there will always be a need to make changes to the underlying systems and processes and requires that any change introduced is risk assessed to ensure that it does not compromise the integrity of the systems.

3. This Direction also should describes the means whereby End-Users who suspect that there is an overcharge Event have access to a process to investigate and report on the issue, as set out by TRAI.

4. **Approval Body (AB) :** Consumers cannot reasonably be expected to verify   the accuracy of all charges made by any Service Provider for services   provided, especially where those charges are based on the extent of consumers' usage of such services. In order to provide the End-Users with   confidence, **TRAI should uses independent Approval Bodies (AB), who are accredited to**

approve those service providers who are required to demonstrate compliance with the Direction just like as Ofcom.

5. This Direction applies to any **Total Metering and Billing System (TMBS)** used for either Retail or Wholesale purposes, or both. It does not apply to an invoice raised by one service provider against another for handling telecommunications traffic passed between their systems e.g. Interconnection and settlement charges between service providers.

6. **Accuracy requirement :** The Service Provider should have systems and processes that accurately record usage by End-Users and enable charging at the correct tariffs.

7. **High Level Description (HLD) :** The Service Provider should produce a High Level Description (HLD) for each Total Metering and Billing System (TMBS) and should seek approval of the content of that description from its Approval Body. A High level Description is a documented explanation of the Total Metering and billing system and the associated risks to completeness and accuracy of billing there under. The High Level Description referred to above needs to be sufficient to enable a person who has no personal knowledge of the system, but has a reasonable level of technical understanding, to comprehend the principles of the operation and its associated risks. The High level description should refer to lower level documents so that it is clear how the system and process elements interoperate and how the service provider inter-works with its suppliers of components and services that may impact on the Total metering and billing system, and with other Service Providers.

8. **Risk Management :** The High Level Description should be subject to change control and risk management throughout the life of the Total Metering and Billing system. Risk Management is an assessment of the risks to the Total Metering and billing system accuracy for both the impact and the likely occurrence of risks. A Service Provider should assess risks, documented in the High Level Description, to the Total Metering and Billing system accuracy, for impact and likely occurrence. In considering whether to approve the High Level description, the Approval Body should assess whether mitigation actions are adequately documented and sufficient to address identified risks. Whenever a change to the Total Metering and Billing System is planned, an impact analysis shall be carried out. This impact analysis shall include a revised risk assessment and will determine the need for any changes to the Measurement Strategy, High Level Description and maintained list / register of risks. Where the scope of Approval changes either to add or delete products or services, the Approval Body will conduct an assessment of the revised Total Metering and Billing System.

9. The process of managing risks to Total Metering and Billing System accuracy is subject to audit by the Approval Body.

10. **Measurement Strategy :** The Measurement Strategy is a documented statement of how risks are to be monitored and where the occurrence of the risk is measured for reporting on the Total Metering and Billing System performance. The Service Provider should produce a **Measurement Strategy Document (MSD)** for each Total Metering and Billing System and shall seek approval of its

content from its Approval Body. The High Level Description and risk management assessments of the Total Metering and Billing System will determine the content of the Measurement Strategy Document. The purpose of the Measurement Strategy Document is to describe the measurements to be taken and supporting controls that the Service Provider should produce, and undertake, to demonstrate the performance of the Total Metering and Billing System.

11. **Process Management :** A Service Provider should have in place and enforce the effective use of procedures and / or documentation covering all aspects of the Total Metering and Billing System (TMBS). All business and technical processes that can impact upon the TMBS shall be included within the scope of a process management system for Approval purposes, including those of related third parties or sub-contractors. Where no external accredited certification of the process management system exists, it shall be assessed by the Approval Body against the relevant requirements of ISO 9001 or an equivalent standard. Formal certification against ISO 9001 is not a requirement. The TMBS shall be subject to change control throughout its life.

Assessment of Performance :

1. Measurement Reporting

The Measurement Strategy shall be documented in the MSD and shall specify the type and frequency of regular reports from operational or assurance systems demonstrating accuracy against the allowable measurement limits.

Where a number of measurements are combined to provide an overall measure to demonstrate accuracy, the method of calculation shall be described.

2. Assessment of Performance

Measures shall be produced in accordance with the Measurement Strategy approved by the AB, with accuracy measurement limits reflecting the different charge types for usage and non-usage Events. This section outlines the generic measurement criteria applicable to all services. Product specific measurement limits are defined in the relevant annexes.

Performance measurement processes shall be effective in supporting increased knowledge of the end-to-end TMBS. They shall include the identification of root causes of Bill inaccuracies and the implementation of activities aimed at achieving improvements in the accuracy of End-Users' Bills.

3. Routine Performance

The Service Provider shall measure performance of the TMBS within the required measurement capability limits over a rolling 6 month period. Where there is a failure to address the significant causes of routine TMBS performance or measurement capability failures, remedial action should be proposed to and agreed by the Approval Body. Routine performance is the underlying or business as usual performance of the system resulting from normal conditions and measurement capability. The Measurement Strategy shall define risk and benefit criteria for identifying significant routine performance failure through root cause analysis. These criteria shall be subject to acceptance by the Approval Body and shall support the aim of continual improvement in underlying performance.

4. Extraordinary Performance Failure (EPF) :

An **Extraordinary Performance Failure (EPF)** is a significant detrimental deviation from the normal daily performance of a Service Provider with regard to its capability to accurately bill or to accurately measure performance in line with the documented Measurement Strategy (which requires Service Provider to identify and assess the risks to their TMBS for accuracy, impact and likely occurrence), that is distinguishable from routine performance measurements as a result of special or one off conditions.

The Measurement Strategy shall define criteria for identifying significant instances of extraordinary performance failure. These criteria shall be subject to acceptance by the Approval Body. Where significant extraordinary performance failures are identified then the following actions can be followed:

4.1 The Approval Body shall be informed within five working days of the performance failure being identified;

4.2 The Service Provider should ensure that End-Users are not financially disadvantaged, but where individual End-Users cannot be identified, the Service Provider should give an equivalent sum to TCEPF or by an adjustment of tariffs;

4.3 The Service Provider should ensure that an initial recovery plan shall be made available to the Approval Body as soon as practicable but no later than ten working days after the initial notification of the performance failure;

4.4 The performance failure, impact and recovery plan shall be recorded by the Service Provider and reviewed at regular Approval review meetings and in planned audit and assessments by the Service Provider and Approval Body;

4.5 Root cause and impact analysis shall be carried out and corrective actions recorded by the Service Provider; and

4.6 The impact of the EPF shall be presented by the Service Provider along with the routine performance results to the Approval Body when measurement results are required.

The Approval Body should assess the frequency and severity of all Extraordinary Performance Failures collectively. Should this exceed frequently within a rolling 12 month period, a full review, by the Approval Body, of the TMBS should take place to re-establish fitness for Approval.

Delayed Events

Chargeable Events (which are Events that give rise to a charge) may be delayed for a number of reasons but shall be included in a Bill no later than:

a) The next Bill, when Bills are rendered quarterly or less frequently;

b) When Bills are rendered monthly, the fourth monthly Bill after the chargeable Events occurred; or

c) Where an End-User is not subject to a standard consumer contract and a prevailing bespoke contract exists, it is permissible to specify in that contract the acceptable delay to billing Events.

The Service Provider shall not subsequently bill any chargeable Event details not so presented.

Agreement between the Service Provider and the Approval Body to extend the time scales should be subject to written approval by TRAI.

Note: Late or lost Events should normally be counted for measurement purposes as relating to the period when they should have been billed. If this is impracticable, it is acceptable to count them when they are written off.

Individual Bill Accuracy

1. Error Handling and End-User Complaints

A Service Provider should employ and document processes for receiving, identifying, investigating and dealing with incorrect charges, including processes whereby End-Users can readily question the accuracy of their charges.

When a Service Provider identifies that an End-User has been Overcharged, either through an End-User enquiry or from internal identification, appropriate and proportionate corrective action Should be undertaken.

The Service Provider should carry out a root cause analysis for verified overcharges, identify the cause and establish proportionate remedial action to correct it. Where the root cause affects multiple End-User accounts, then all affected Bills shall, if practicable, be included in a recovery programme.

It should be a requirement for incorrect charges to be measured, counted and included in TMBS Measurement Reports.

Detection of Gross Billing Errors :

A Service Provider should employ a suitable mechanism, for which it must obtain approval from its Approval Body, for the detection of gross billing errors, which are Bills that contain significant deviations from the expected norm. The precise nature of this mechanism will vary from one TMBS to another, but will usually be derived from existing management controls and reports. Typically it may involve any or all of the following :

a)   Detection of any Bill which differs by a settable percentage from historical Bills for that particular End-User or circuit;

b)   Detection of any billing run which differs in total value by a settable percentage from historical billing runs that would be expected to be similar;

c)   Trend analysis of rejected chargeable Events;

d)   Manual analysis/recalculation of a representative sample of Bills; and

e)   Specific analysis of the reasons for unexpected reports produced by mediation / rating / billing systems etc.

For the purposes of this Direction, Service Providers can make use of any data provided to TRAI for another purpose e.g. providing quality of service data. If not subject to dispute with TRAI and agreed to be suitable by the Approved Body, this data need not be separately audited.

Compliance with the Direction :

The Service Providers Activities

The Service Provider should provide the Approval Body with access to all people, locations, **Equipment** and data necessary to establish compliance with the Direction.

The Service Provider should nominate a senior manager, ideally a Board Member, to manage the relationship with TRAI for the successful compliance with the TRAI Metering and Billing Direction by the Service Provider.

The responsibility of the nominated person is to provide the strategic direction for the implementation of the Direction within a Service Provider, to act as the escalation point for the Approval Body and to ensure that **TRAI Billing Accuracy Programme Manager (TBAPM)** should be appointed, ensuring that they are of sufficient capability and experience to carry out the role.

The day-to-day operational management shall be delegated to the TBAPM, who should have responsibility for maintaining compliance internally with the Service Provider. The TBAPM will be the point of contact between the Approval Body and the Service Provider. The Approval Body should confirm the capability and appointment of this manager.

The Service Provider should also agree to, and have in place, processes which facilitate the disclosure of information to TRAI by the Service Provider and/or the Approval Body in connection with the performance by the Service Provider of its regulatory obligations in connection with this Direction.

The Assessment Process :

In general, compliance with the Direction should be determined by assessments and measurements as set out below:

1.   Approval Body Selection

Once it has been determined that a Service Provider should be complying with the Direction, either through a voluntary or mandatory route, the Service Provider selects an Approval Body. Each Approval Body should be independent and appointed by TRAI to approve Service Providers' TMBSs; their details may be found on TRAI's website.

2. Initial Meeting

The Service Provider should meet with the Approval Body to determine the extent of the TMBS to be assessed. The Service Provider and the Approval Body will develop a joint and agreed Approval plan, showing the scope of Approval, resources, activities, dependencies and timescales required by both parties.

3. Initial Assessment

The Service Provider must submit its technical/functional design documentation of the applicable TMBS in accordance with directions by TRAI to the Approval Body for initial assessment.

Initial assessment will typically include, but not be limited to, the following:

(i)   Tariff, and pricing, management processes;

(ii)   Transaction data processing activities;

(iii)   Billing operational & audit processes;

(iv)   Customer management processes;

(v)   Network data transaction processes;

(vi)   Customer and product reference data integrity processes;

(vii) Timeliness of processes; and

(viii) Complaints handling.

Note: Where specified processes are audited under an accredited Quality or Financial Audit process, the Approval Body Should take into account the documented audit findings.

4. Revision of the Approval plan

Revisions to the Approval plan, which remains a live document, should be made no less than annually, once assessments commence and further TMBS requirements and actions come to light. Any significant slippage or amendments to the Approval plan end date will be subject to TRAI review and re-Approval of the Approval plan.

5. Main Assessment :

The main assessment of the TMBS conducted by the Approval Body should comprise:

5.1 System Design :

The Approval Body will review the HLD and the lower level appraisal documents to ensure that there are no inherent weaknesses within the design and that it is capable of complying with the requirements of the Direction.

5.2 System Process Management

The Approval Body will assess the processes surrounding the operation of the TMBS to ensure that these processes are being operated correctly to achieve compliance with the requirements of the Direction.

5.3 System Performance :

The Approval Body will assess the on-going performance of the TMBS in meeting the standards in this Direction by means of a measurement system as defined in the approved MSD. The requirement is for the Service Provider to present a rolling 12 months' results. However, based on the stability of the results presented, the Approval Body may, at its discretion, recommend Approval prior to all of the initial 12 months' data being collected, subject to a minimum of six months' data having been collected in the case of a first Approval.

5.4 Conducting Assessments :

Audits will be scheduled in accordance with the agreed Approval plan which will incorporate a mix of internal / third party and external Approval Body audits. Audit reports and relevant findings from all sources will be documented by the Approval Body and agreed with the Service Provider. Findings should be categorized and recorded. Service Providers may appeal against the categorization of any matter by following the Approval Body's documented appeal process.

5.5 Tracking Corrective Actions :

The Approval Body will agree with the Service Provider a process for documenting, tracking and addressing non-compliances and deficiencies by means of corrective action.

Change of Approval Body

Where a Service Provider changes Approval Body, the Approval Bodies are expected to recognize each other's certification.

The Service Provider is able to initiate a change of Approval Body once the initial Approval has been achieved. However, in order to prevent switching being used to circumvent poor performance, the Service Provider must obtain TRAI's agreement to the transfer and TRAI will monitor the process as necessary. Handover will be subject to a mutually agreed action list and timescale.

A change of Approval Body may also occur in circumstances where an Approval Body is no longer able to continue serving a Service Provider.

Enforcement :

An Approval Body may issue, and a Service Provider must comply with, directions issued to the Service Provider by the Approval Body in connection with the requirements of the Direction. Failure to comply with any such direction and/or with the Direction may lead to enforcement action against the Service Provider for a breach of General Condition of Entitlement.

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.

Comments :

The role of billing systems has been redefined. Many modules that used to be part of them, such as product catalogs, customer management and managing product instances, have evolved to become separate tools. Therefore, billing has been pushed to the role of a mere "calculator".

But the new requirements this "calculator" has to meet have become extraordinary large. Currently, a telecom billing system must handle sophisticated services, various types of subscribers, lines of business, payment methods and business models.

1. **Incorrect billing management: Using data to spot and prevent false charges :**

Cramming a company fraudulently charging someone's bill technically, is the fault of third party. The **Federal Trade Commission (FTC)** is cracking down, issuing millions settlement against companies involved in such schemes. It is service provider's best interest to monitor bills for anomalous third party charges and remove them before customer's notice, as customers are frequently monitoring charges throughout the billing cycle. It has become more essential for service providers to monitor billing data in real time and remove charges as soon as possible.

Solution :

Using Data Analytics to stop false charges :

Use of data analytics to flag potential phony charges can detect about 80% potential misconduct.

The first level of data analytics can be used to flag accounts with unusual third party activity. For example, if a customer who has previously never purchased a ringtone suddenly racks up rupees in charges from ringtone, then there is a high likely hood that the charges are phony. The analytics process should include a safeguard that will block additional charges pending further investigation. Monitoring this activity in real time and blocking the offending third party earlier can be beneficial.

Predictive analytics can help prevent problem :

Though analytics can help carriers put a stop to problematic transactions, the challenge lies in the volume of data and third-party charges that post to telecommunications bills each hour. It is almost impossible to determine, at a glance, which charges have been authorized by the consumer and which are due to incorrect billing management. It is not feasible to manually investigate each charge for each consumer.

However, carriers can use predictive analytics to determine which charges should be investigated further. Carriers can gather data from past investigations of cramming schemes to determine patterns in activity, such as the cost and quantity of the charges, their frequency, the times of day they occur and the types of companies that issue them. Predictive analytics

tools can then use this information to see patterns in current third-party activity, which may indicate false charges based on the insights from previous cramming schemes. Predictive analytics can save money, prevent customer churn and allow employees to focus on high-likelihood fraud cases rather than be bogged down with every suspicious charge.

False and phony third-party charges hurt the entire telecommunications industry. Carriers that can successfully detect and prevent these charges will improve their bottom line and customer satisfaction in the long run.

**2.	Service provider needs Rating and Billing validation :**

Top six reasons why service providers needs rating and billing validation :

**1.	Delays in Upgrading Pricing Policies**

Service upgrades or downgrades and new item added or removed from product bundles that are continually wrongly billed from customer's agreed upon prices can lead to a dis-satisfied.

**2.	Failure in Applying Discounts**

Custom contracts and product bundles create multiple rating schemes, which has a high likelihood of leading to errors in billing. Sometimes service rating is inaccurately attributed to base plans rather than to the correct promotional bundle.

3.   Missing Service Invoicing

Customers are often charged for services they do not own, like long distance lines. Conversely, this error also occurs when services provisioned are not listed in the customer invoice.

4.   Inaccurate Technology Migrations

During mergers and acquisitions or technology upgrades, one of the biggest challenges that CSPs face is data inconsistencies during the migration of customer and service data on the OSS and BSS.

5.   Discrepancies in Rating vs Billing Data

These discrepancies can occur with newly installed services that don't receive the quoted rate or discounts, and contract renewals that include lower rates that were never applied to monthly invoices.

6.   Temporary Marketing Promotions

When applying a temporary marketing promotion customers expect that it becomes effective immediately. Applying or cancelling marketing promotions in a timely manner can lead to a bad customer experience.

Solution :

Full traceability of the billing process :

Rating and Billing Validation monitors the billing process by validating billing data against historical and statistical data, or against other preferred data sources, to access invoice accuracy.

Data Entry :

Data entry tasks tend to be low on the totem pole in terms of business operational priorities. However, data entry is still one of the most critical day-to-day operations for service providers across the industry. Everything from customer and sales data to financial information relies heavily on data entry, meaning a single error can have huge ramifications for service provider as well as customer also.

Even with the broad applications of operational automation, many data entry positions are still held by humans. Unfortunately, wherever a company employs people, there's the potential for human error, and data entry errors are some of the costliest errors for both companies and customer.

Solution :

Fortunately, there are many ways to avoid data input errors and promote accuracy among employees. By understanding why manual data entry errors happen and learning ways to avoid them, the service provider can more efficiently reduce entry errors and enhance data integrity across the enterprise. Getting effective data entry software that can capture documents, automate workflow or assist mobile transactions ensures the data entry does not get overlooked or forgotten.

Expectation and avaibility of data :

Over the past decade we've moved from monthly CDRs, to daily, then hourly. As technology matures, the provision of real time (or as near as

possible) call data records (CDRs), is increasingly possible. There is a huge need and expectation for real-time data to be made available.

This demand comes from multiple links in the supply chain and from end-user customers themselves. The end-user customer wants self-service access to real time data in order to protect themselves from unexpected costs. At the same time, customers want and expect proactive support and protection to be provided by their Service Providers, so Service Providers should have the facility to spot high cost calls and occurrences of fraud.

New Technology in Telecom Billing

CLOUD, SAAS AND INTEGRATION

Perhaps the most obvious trend is the gradual shift from billing software that's deployed as a traditional desktop application and hosted on a Service Provider's (SPs) own hardware, to web-based applications hosted in the cloud. This offers many benefits for SPs including increased mobility, high availability and robust disaster recovery. It also removes the need to purchase expensive hardware and pay for ongoing maintenance of the platform's environment.

Not only is this a step change in the way that users access billing software, it's also facilitated greater integration with other back-office solutions. This is largely made possible because the development of comprehensive APIs is a prerequisite for the development of web-based software.

This has opened up many possibilities for integration and SPs quite rightly expect their billing software to fit into an integrated back office.

They have put a huge focus into developing their APIs and complementary resources such as documentation, sandbox environments and consultancy services. This enable SPs to develop integrations for billing platform with complete freedom and according to their precise needs.

To ensure that billing processes are completed accurately, utilities need to measure service usage and convert this into an invoice, accounting for and correcting any abnormalities which may arise during the several steps involved. It should pay special attention to the most error-prone activities in order to reduce the chance of anything going wrong; however, when unforeseen issues occur, it is essential to make quick and accurate invoice adjustments. The billing system should not only reduces the number of errors in the first instance but also provide the tools to identify and correct issues when they do occur. The billing system should accurately calculates billing amount, units and also helps them manage common issues caused by events such as metering errors, data entry mistakes, rate changes, and service failures etc.

Even though the billing system can often fix metering errors through validation rules, they still need their billing system to let them edit meter readings and usages in cases where data has been incorrectly entered or the usage was not accurately estimated. Moreover, the billing system should also keep their customers informed about any adjustments made to their balance. One common issue that occurs is that rates are incorrectly updated due to human error; in this case, billing system should have a

system that lets them automatically rebill an individual service or a group of products using the correct rates to avoid tiresome manual processes..

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.

Comments :

The bill is frequently overlooked but essential in digital consumer experience. For many customers, it is one of the very few touch points they have with their service provider.

In an era where customers can shift service provider more readily than ever before, improving the billing experience is therefore essential to improving customer satisfaction, retaining more customers and selling more services.

1. Customers think bills are hard to understand :

Digital service provision is exposing both old weaknesses in bills and the billing process and presenting new challenges, which means :

(i) Ensuring that bills are accurate is becoming ever more challenging.

(ii) Presenting and explaining charges in a way in which customers understand them is becoming harder. Customer expect to see a summary of all their charges irrespective of which operating company, third party or technology is being billed for. Convergent

charging means a lot of things within the telecom industry, but to consumer it simply means seeing what they owe in one place.

However, providing a summary of charges in a single statement becomes even more challenging when service provider factor in the number of services being billed, as ell as the fact that the price for these service is changing more frequently. In the past, a customer signed up for a single service bundle for one or two years, with only overages being billed for incrementally. Today, marketers are rolling out new offers more frequently, along with time limited price reductions, more dynamic charges and so on. All of these charges need to be accurate and clearly explained on the bill.

While this situation is set to get even more complex and dynamic in the future, even today most customers find their bills hard to understand). According to bright : bill research :

►► 68% of customers find their bill hard to understand

►► Those over 35 struggle the most – with 71% of 35-44 year olds and 70%

of those over 45 finding their bill hard to understand In addition to clearly explaining charges, CSPs should also be able to highlight to customers the value they have delivered to them. For example, if a special offer saved the customer money, the bill should reveal how much the customer saved in a simple and easy to comprehend manner.

Customer would like their bills to provide following key things:

►►   Information on how they can save money

►►   Insight into what they spend the most or the least money on

►►   Suggestions as to other relevant services they could or should be

using a more visual display of information.

Telecommunications bills should be clearly organized with billing information presented in a way that it can be easily understood. This information should avoid unnecessary complexity, be straightforward and unambiguous. Where information is grouped by sections and categories, the information presented must be logical and described in such a way so that the customer can readily understand their meaning and context. Most importantly, billing information needs to be specific enough so that customers can accurately assess that the services for which they are billed correspond to those that they have requested. In other words, each amount billed must be clearly related to a particular service or purpose which must be indicated on the bill.

Every bill should contain information that clearly indentifies the customer. At a minimum, this information should include the name of the customer, the customer number, account number and email or postal address.

Descriptions of Billed Charges:

Summary of all comments Information regarding charges and their method of calculation must be clearly presented in simple language so that customers can easily assess whether the costs of the requested services conform to their understanding of the price charged. The charges included on a billing invoice should include all charges related to a current billing period to the extent possible. In any case, a Service Provider must not bill for charges for the first time if they are older than 90 days from the date of

the charge. All charges appearing on a bill should be itemized. All services charged on a per unit basis must include, at a minimum, the:

• name of the service

• date of service

• time of the service

• duration of the service, if applicable

• number called

• charging rate/calculation method

• all related charges

• total charge.

For customer equipment or other non-call/unit charges, Service Providers must list each item and the amount billed. Service Providers may offer customers an option to opt-out of receiving itemized billing if the customer wants to avoid lengthy billing statements. However, these customers should still receive a billing summary and be able to view their full billing statement on an itemized basis through an electronic means.

Bills should indicate whether or not bandwidth levels for Mobile Internet and services were met as per the contractual terms and conditions and as published by the Service Provider.

Customers who subscribed to more than one service with a Service Provider (e.g. Fixed, Mobile and Internet) should be provided with a single bill that details the respective charges. Any promotions, discounts or roaming charges should be clearly indicated on the bill.

The method for calculating charges calculation should be included at the end of the bill, or in a separate attachment.

Disconnection Proposed Guideline :

Service Providers must clearly inform customers when non-payment of a service or group of services will result in full or partial disconnection of a service/s. Before disconnecting a customer for any reason, the Service Provider must first notify the customer in writing of any planned action to disconnect the customer. The written notification may be sent by post, email or SMS for example. TRAI should encourage Service Providers to avoid disconnecting customers except for extreme circumstances. The implementation of late fees, outgoing call barring and special payback schemes may be a more effective means for Service Providers to recover any unpaid charges as well as strengthen customer relationships.

Disputing Charges :

Service Providers must provide a **toll free special number/s** by which customers may query or file a dispute regarding any charge contained on their bill. The toll free number/s must be prominently displayed on billing invoices so that it is easily noticeable by customers. Service Providers must also provide a means for customers to dispute charges in writing, if they so request, by providing a mailing address or electronic means of communication (email, website, fax etc...). To ensure that customers are not intimidated into paying for charges that they believe are incorrect, Service Providers must clearly indicate that a customer will not be disconnected from a service while the dispute is under review. They must also clearly indicate that a customer is not liable to pay the charges that are under dispute while the dispute is still on-going.

Customers will be liable to pay for any charges that are rightfully due. Service Providers should endeavor to promptly resolve any billing disputes

and do so no later than 30 days from when the dispute was filed. The 30 day dispute resolution period may be extended if both parties, i.e. the customer and the Service Provider, are in agreement.

It is important to have a billing contact number for corporate customers where customers can dispute charges over the phone.

Billing Accuracy :

Service Providers should required to ensure the accuracy and reliability of any billing system used in connection with the provision of telecommunications services to the public. Service Providers must be able to demonstrate the accuracy of their billing in response to customer queries regarding disputed charges. Customers will be entitled to a refund or a credit to their account if this accuracy cannot be demonstrated.

Billing Timeliness:

Service Providers must ensure that customers are provided with a telecommunications bill on a timely basis and no later than 20 days after the closure of a billing period. A billing period is approximately 30 days or one month in duration. SMS alerts or other forms of messaging alerts do not constitute as billing invoices. Service Providers are encouraged to make use of innovations such as electronic access to billing information as a means to ensure timeliness in market where the population is increasingly mobile and where the postal system cannot always be relied upon

Information contained in a bill must be clear, accurate and free of material omissions.

A Service provider must include in each bill the billing information required by the Telecommunications Consumer Protections Law, including :

- the bill issue date and billing period

- the current due date and due date for any outstanding amounts

- one method of bill payment that is free of charges imposed by the provider

- any charges that exceed any spend limits

- a description of charges, the total amount of the bill, any discounts or credits, and any third party charges

- for bills with charges for included value plans, the total amount of the bill for the two previous billing periods and a link to the provider's website where the consumer can easily locate call and data usage information

- a contact point to make billing enquiries, the hours of its operation and the charges applicable.

- Billing information (including itemization for all types of billed charges if requested) must be available for a period of up to six years before the date a consumer asks for it. Information less than two years old must be available through one free medium, but a provider can charge for providing billing information in other formats, for example hard copy reprints of bills. A provider can charge for billing information over two years old. Charges for providing billing information must be limited to the cost of providing the information.

- A consumer must be able to contact their Service provider to enquire about a bill. This should cost no more than an untimed call unless otherwise agreed with the consumer.

- Different elements of bills, for example credits, discounts, pro-rata charges, or payments made, should be clear and distinct. When a credit or discount is applied to a bill it should be clear what it relates to.

- If a provider bills in advance for some service elements, for example line rental, this should be clearly set out on the bill.

- If there is a delay in issuing a bill for certain charges, a provider should tell the consumer about the delay and explain the reasons for it. The provider should tell the consumer when the bill is likely to be issued. If a delayed bill causes financial hardship, the provider should give the consumer appropriate options to pay according to its financial hardship policy.

- If a Service provider will charge a consumer for providing billing information over two years old, the provider should explain the charge to the consumer before they agree to receive the billing information.

Specific comments related to this billing guideline include:

1. Electronic access to billing information should be via secure Internet connections.

2. The language of the bill should be in either as per   customer request or in English.

3.   Bills should be sent to email addresses.

4.   Service Providers should be required to prepare bills that suit disabled customers, such as bills in larger fonts for weak-sighted people, as well as in Braille-formats for blind customers.

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.

Comments :

Electronic and Social media :

Because of its convenience and the fact that it seems to be everywhere, with people having 24/7 access, email has become a default delivery system for information.

Other ways to send messages electronically include social media, website banners. Consider the importance of the message when using electronic media to determine if long messages should be delivered as downloadable documents.

Print

Print media have an advantage over electronic communication in that customer need not to worry about how the message looks on devices and computers with different display settings.

Face-to-Face

Phone :

Teleconference

Complaints may be handled by Tele meetings which gives many of the same benefits of face-to-face communications without the travel costs and scheduling headaches.

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.

Comments :

The complaint Goal :

Customer have the right to make a complaint. The service provider's goal should be to keep their customer satisfied, and that means as few complaints as possible, and that any complaint that do arise are dealt with openly, fairly and promptly.

To support the goal :

1. Complaint process should be approved by chief executive officer or equivalent, who is responsible for ensuring its implementation, operation and compliance in accordance with the complaint standard.

2. Complaint process should be managed by senior manager who must maintain the effective and efficient operation of the process in accordance with the complaint standard.

3. The complaint process should be focused on the need and expectation of the customer and should designed to be easy to understand.

There are 4 essential parts to effective handling of consumer complaints. These are :

1. Improved billing system that attack the cause of complaints.

2. A first class system that handles the complaint at the first point of contact i.e. the grass root level.

Better management information system, impact indirectly on improving complaint handling at the first point of contact.

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(iii)   The complaint process should be focused on the need and expectation of the customer and should designed to be easy to understand.

3.   Close monitoring of why complaint escalate past the first point and

4.   The deterrent of service providers meeting the costs of external review.

Customer can send the complaint either of the following ways :

1.   By Hand : Visit retailer/ Show room / Company

2.   By Post

3.   Through Fax

4.   Through Email –

5.   Through Phone : There should be dedicated toll free phone or at call center

6.   By web portal.

7.   By App

8.   Social media Facebook / twitter

Handling the Complaint:

- Upon receiving a complaint, service provider should acknowledge the matter via telephone, email or in writing within 2 business working days.

- Service Provider should keep the customer informed of the progress of   your complaint, proposed actions and the expected timeframe for   resolution.

- The aim should be to resolve complaints in a timely manner within 15 days

- Complex complaints may take longer time to resolve. In these cases, the service provider should regularly update on the progress and likely timeframe for resolution.

- Service Provider should advise you of the outcome of your complaint. Where you have requested us to do so, we will advise you in writing.

- We may impose a charge for handling your complaint in special circumstances. For example, we may charge you a fee where your complaint requires us to retrieve archived records that are more than 12 months old.

    Complaint management software for billing complaints will not be useful to manage complaints efficiently and effectively within an operational environment that is characterized rapid technological changes, fast evolving service products.

* There should be a prescribed time period for the resolution of complaint.

* If service provider is unable to resolve the complaint, he should give a deadlock letter. This enables the customer to take the complaint to an Alternative Dispute Resolution procedure .

Whether higher frequency of audit of complaint handling would help in improving effectiveness of complaint redressal mechanism?
Comments :

Yes. It should be quarterly.

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.

Comments :

Special audit should be conducted to detect any under reporting of revenues by the service provider apart from the interest of consumer and other stakeholders in the organizations. Conducting special audit will deter fraud, waste, abuse and violations of laws and regulations. Facts based on findings, recommends improvements and corrective action.

Need and Objectives of Internal audit :

Internal auditing encompasses to:

i.   Monitor, assessing, and analyzing organizational risk and controls;

ii.   Review and confirming information and compliance with policies, procedures, and laws.

iii.   Assure to the Board, the Audit Committee, and Executive Management that risks are mitigated and that the organization's corporate governance is strong and effective. Assurance of compliance with policies, plans, laws, and regulations;

iv.   Safeguard the assets of the business entity;

v.   Report instances of suspected or proven financial irregularities

vi.   Recommend economical and efficient use of entity resources by pursuing established corporate processes, policies, and procedures

vii. Make recommendations for enhancing processes, policies, and procedures where there is room for improvement.

As mandated by Law to require accountants who audit or review an issuer's financial statements to retain certain records relevant to that audit or review. These records include

1. Work papers
2. Other documents that form the basis of the audit or review   and memoranda,
3. Correspondence,
4. Communications,
5. Other documents, and records (including electronic records), which are created, sent or received in connection with the audit or review, and contain conclusions, opinions, analyses, or financial data related to the audit or review.

To coordinate with forthcoming auditing standards concerning the retention of audit documentation, the rule requires that these records be retained for seven years after the auditor concludes the audit or review of the financial statements, from the end of the fiscal period in which an audit or review was concluded. As proposed, the rule addresses the retention of records related to the audits and reviews of not only issuers' financial statements but also the financial statements of registered investment companies.

Non-substantive materials that are not part of the work papers, such as administrative records, and other documents that do not contain

relevant financial data or the auditor's conclusions, opinions or analyses may not have to be retained.

The documents retained, which focuses more on work papers that support the auditor's conclusions, which includes not only work papers but also other documents that meet the criteria of the law. Many documents, however, may be covered by both retention requirements.

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.

Comments :

Yes. They need to be strengthened.

High penalty should be imposed.

It is now outdated

Q.8: Any other issues which are relevant to this subject.

Comment : No.

(Dr. Kashyapnath)
President