

COMMENTS

ON THE CONSULTATION PAPER

ON

REVIEW OF EXTANT PROVISION FOR SENDING THE PRINTED BILLS TO CONSUMERS OF LANDLINE AND POST-PAID MOBILE SUBSCRIBERS

1. Introduction

This paper sets our comments on the Consultation Paper dated November 15, 2018 on the Review of extant provisions for sending the printed bills to consumers of landline and post-paid mobile subscribers (“**Consultation Paper**”) issued by the Telecom Regulatory Authority of India (“**TRAI**”). The deliberation by the TRAI on the review of the prevailing provisions for providing printed bills to subscribers of post-paid wire-line and post-paid mobile services, by way of this Consultation Paper, appears to be a move to meet the objectives of the Digital India Initiative by making the entire process paperless. However, while the proposition seems to be a step in the right direction, it is also prudent to understand the disadvantages of moving towards an e-bill scenario for subscribers of post-paid wire-line and post-paid mobile services.

2. Background

- 2.1 India is among the fastest-growing economies today, due to factors such as a large and growing middle class with a high disposable income, a rich reservoir of skill and talent, and a large resource and cost advantage. The number of Indian citizens using a mobile phone has increased from 2017-2018 and as of September, 2018; the total number of wireless and wire line subscribers is 1191.40 million¹. Telecom service providers (“**TSP**”), infrastructure providers, telecom equipment manufacturers and handset manufacturers form the four pillars of the telecom industry, facilitating connectivity for more than a billion Indian citizens.
- 2.2 A report by the Internet and Mobile Association of India (IAMAI) and Kantar IMRB says with 59 per cent penetration, urban India is expected to see a slowdown in mobile penetration and rural India is clearly the next area of growth. The report said emergence of newer forms of services and apps, along with availability and quality of mobile data, determine the usage of mobile internet. Online communication and social networking have been the top purposes for the past few years. The recent development of digital entertainment has resulted in this category emerging as the top purpose of access in rural India.²
- 2.3 The recently launched ‘Digital India’ initiative also assists in mobile penetration. Digital India is a transformational programme that aims to bridge the digital divide and transform India into a digitally empowered society. The Indian Government, through its BharatNet

¹ Press Release No. 114/2019 dated November 28, 2018 issued by TRAI

² https://www.business-standard.com/article/current-affairs/next-wave-of-growth-in-mobile-internet-to-come-from-rural-india-study-118032900834_1.html

initiative, is creating a digital architecture for the delivery of services to the common man. Telecommunications would serve as the very backbone of 'Digital India'.

- 2.4 With respect to the provision of printed bills to subscribers of post-paid wireline and post-paid mobile services, there are specific regulatory provisions in the Indian legislation which specifically mandate the service providers to provide hard copy of the bill to its post-paid subscribers of (i) Basic Service (other than ISDN) and (ii) Cellular Mobile Telecom Service free of cost. However, if any customer opts for receipt of the bill through e-mail, instead of hard copy, the service providers can supply the same after obtaining explicit consent from the consumers. In all other cases, the service provider must ensure that the bills are generated and delivered to the consumers in printed form free of cost.³
- 2.5 The industry has been divided on the issue of whether the printed bills to subscribers should continue or should be replaced by electronic bills (E-bills) or mobile bills (M-bills). The advocates in favour of E-bills/M-bills contend that E-bills/M-bills should be mandated for all telecom customers as they enable easy availability of information on the user's device itself. The provision of receiving a hard copy of the bill can be retained as an option for the customers. Mandating E-bill/M-bill would be an environment-friendly initiative in line with the Government's Digital India initiative. Alternatively, the bill can be viewed on Operators website/Operators App or on E-mail or abridged bill can be sent by SMS (M-bill). The M-bill option would work fine for such customers who do not have an email account. M-bill is not only environment friendly but also leads to cost reduction for the TSPs.
- 2.6 The above intent has also been reflected in the recent notification issued by the TRAI (Notification no: 301-20/2018-F&EA dated : 24.09.2018) where some changes have been suggested to Schedule II- Cellular Mobile Telecom Service(CMTS), Item (7A)- Forty Sixth Amendment Tariff for provision of hard copy of the bill or printed copy of the bill to the customer- Nil, so as to introduce option "opt-in" by the subscriber for hard copy of the bill, if so required.
- 2.7 However, it also needs to be kept in mind, that mobile/landline bills are a utility document and are used as a residence proof as a supporting document for applications for ID proofs. These documents are also generally relevant for the purpose of tax filings. Even assuming that the M-bill is introduced as a default option, it may be difficult to determine the authenticity of the bill printed (E-bill/M-bill). This situation is akin to where email-based bank statements not being used as an authentic document, unless it has been stamped and signed by the bank.
- 2.8 In our view, a detailed bill for wireless and wireline services may be completely disbanded and an option to print the same may be provided online, or pursuant to a request by the customer upon a nominal charge for the handing over of such physical copy. Further, the contention in support of the E-bill/M-bill is presumptuous of the argument that all people shall have access to internet and shall be technologically skilled to extract the bills in an online form. The policy is shifting the burden of responsibility of checking the bill and keeping record of the same to the customer. It should be a customer's choice as to if he wishes to opt for an email based bill.
- 2.9 A suggestive change that may be made for the purpose and need of efficiency could be reducing the detail of the bill and making the same available only on a need be basis offline, or otherwise online.

³TTO 46th Amendment, 2008.

3. Issues for Consideration

Our response to the issues for consultation is given below:

- 3.1 *As per the extant provision of TTO (46th Amendment), provision of hard copy of the bill or printed copy of the bill to postpaid subscribers is mandated as a default option. Is there a need to change the extant default option, i.e., provision of paper bill without any charge to post-paid subscribers of Wire line and (ii) Mobile services? Kindly support your answer with rationale.*

In our view, the extant provisions of the TTO (46th Amendment) do not require any changes at this stage. The option of the providing M-bill is based on the assumption that all users of mobile phones have access to internet and shall be technologically skilled to extract the bills in an online form. As per the latest reports from the TRAI, the total number of rural telephone subscribers (wireless and wireline) is 524.76 million as on September 30, 2018, which is approximately 50% of the total telephone subscribers which is at 1191.40 million as on September 30, 2018.

- 3.2 *As against the existing practice of issue of printed bill to post-paid subscribers of (i) Wireline and (ii) Mobile service, unless a subscriber opts for electronic-bill (ebill), should e-bill now be made the default option? And if so, why?*
- 3.3 *If e-bill is made default option then how the bills would be made available to Post-paid subscribers of (i) Wireline and (ii) Mobile services with (a). Subscribers of Feature phones and (b). Subscribers who do not have e-mail facility.*

For reasons stated Para 2.5-2.9 of this note, in our view existing practice of issue of printed bills to post-paid subscribers of (a) wireline and (b) mobile services should continue to be a default option.

- 3.4 *If a subscriber opts for e-bill and requests for change the option to printed bills, will there be a charge for providing the printed bill? Kindly provide reasons for your answer.*

There may be a onetime nominal charge in case the customer chooses to shift back from an e-bill to a printed bill. This may be charged due to the change in logistics for the TSP and in order to encourage the customers who have willingly shifted to e-bills continue the same method of billing. Alternatively, a customer may access his detailed bill information by visiting the nearest office of the TSP.

- 3.5 *What could be the safeguards for subscribers who do not wish electronic bills and prefer to get printed bills?*

Please see our comments at Para 2.5-2.9.

- 3.6 *TRAI has mandated specified set of information to be printed on bills to post-paid subscribers. If the printed bill is not issued, then how the specified set of information will be conveyed to subscribers? Should the same be mandated for e-bills also? Kindly support your comments with justification.*

The same requirements as are applicable to the customer in case of a physical bill currently must be applicable to an e-bill format. If a customer opts for an m-bill he may be provided a summary of the information on his phone and further detailed information may be provided if

the customer logs on the internet and enters the given link by the TSP or by logging to the User ID or on visiting the nearest office of the TSP. The customer may also pay a nominal charge if he opts for a physical copy of the bill for the specified month.

3.7 *Any other issue relevant to the subject discussed in the consultation paper may be highlighted.*

Please see our comments at Para 2.

Also, kindly note the following points-

- Printed bill/invoice to be provided for and to a post paid customer is an obligation, on the part of a TSP, wire line or wireless. This is contractually mandated.
- This invoice is legally valid as a proof of address.
- This invoice is proof of expenditure for the tax-paying community.
- The option/choice to continue to provide Printed bill/invoice to a consumer should be with the consumer, not TSP.
- The TSP must not continue this service unilaterally.
- The assumption that each consumer is Tech Savvy is flawed.
- TSP might decide to incentivise a consumer, and,
- Saving of paper and consequently trees is just a misnomer