

ALL INDIA CHAMBER OF CONSUMERS (AICOC)

National Body for Consumer protection

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Comments on the Consultation Paper on "Review of The Quality Of Service(Code Of Practice For Metering & Billing Accuracy) Regulation 2006"

Chapter 2

Clause 2.2 :**Delay in submission of audit reports and action taken reports**

Q.1: _____

Ans. Imposition of financial disincentives at the rate of Rs. 50,000/ for each day of delay in submission of audit reports is adequate to ensure timely submission of the same. **The rate of disincentive amount may be raised by 50% if the particular service provider is found again defaulting on timely submission of the next audit reports.**(Such a provision could altogether eliminate or at least minimize the possibility of delay in submission)

2.3: **Delay in submission of Action Taken Reports**

Q.2: _____

Ans. Imposition of financial disincentives at the rate of Rs. 50,000/ for each day of delay in submission of Action Taken Reports is adequate to ensure timely

submission of the same. The rate of disincentive amount may be raised by 50% if the particular service provider is found again defaulting on timely submission of the next Action Taken Reports.(Such a provision here also could altogether eliminate or at least minimize the possibility of delay in submission)

2.4 Non-refund of overcharged amounts to affected customers

Q.3:

Ans. As non-refund of excess charges is doubly culpable , CDRs need to be audited before they are archived. Therefore the proposal of CDRs to get audited at least twice a year- three months' CDRs pertaining to first half year and another three months' CDRs pertaining to second half year- is welcome as rescheduling the period of CDR audit could eliminate the scope for excuse for delay in submission of audit reports and timely refund of overcharged amounts to the affected customers.

The proposal that in case the refund to affected customers is not made within one month of audit observation, a financial disincentive equivalent to the amount overcharged may be deposited with TRAI.(This could definitely discourage the practice of delay in making refund.)

Q.4: _____

Ans. Simultaneous reporting by auditors to TRAI of instances of overcharging and monthly progress report on the Action Taken Report by the service providers on such audit observations is essential and so is the equivalent financial disincentives to be deposited with TRAI on delayed refund to the customers.(This is essential because customers from whom service providers are earning the revenue to sustain must not be left to suffer double whammy- first because of suffering from overcharging and then delay in getting refund of overcharged amount.)

(By AICOC) (continued)

2.9 Incomplete or inadequate comments by service providers on audit observations:

Q.5:

Ans. **Mandating service providers to undertake a thorough analysis of each audit observation and requiring them to furnish a detailed comment on each observation amounts to in fact giving them opportunity to legitimately and properly react to reports in time. The proposed financial disincentive of 10 lakhs per incomplete audit report is as well justified . Timely analysis and detailed comment on audit observation may cut both ways- some paras going in favour of customers and so indicting service providers and others having no indictment against the service providers.**

2.10 Quality of audit work:

Q.6:

Ans. **Nomination of auditors by TRAI and appointment of the nominated auditor by the service providers is essential for the auditors to independently act as such because they may stumble on some lapses, wrongdoing in course of auditing. Primary purpose of audit is in fact to find out if there is some foul play somewhere or everything is on right track.**

Q.7:

ANS. **Justification given in the answer to question 6 also holds good to ensure the independence of the auditors hence the fixation of auditors' remuneration by TRAI is worth welcoming.**

The quantum of remuneration should be fixed on the diligence exercised in the auditing which may be apparent from the paras auditors may prescribe requiring compliances. Audit paras raising objection is the real testimony to auditor's honest diligence/exercise.

(By AICOC)

(Continued)

2.13 Audit of tariff plans:

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Q.8:

Ans. The Proposal for three prepaid tariff plans and two post-paid tariff plans launched during each of the half year of audit that has the largest number of subscribers considered for audit is welcome. It is in sync with the proposal to have the CDR audits covering both the halves of the year of audit.

Comments by

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