

BIF RESPONSE TO TRAI CP ON " COMPENSATION TO CONSUMERS FOR CALL DROPS "

PREAMBLE

. To achieve Digital India vision, the country needs to be connected and stay connected. Digital India is an inclusive vision-must covers all of Rural India besides urban India.

We appreciate the efforts of TRAI in the matter of Call drops. It is being made out as if the operators and the industry are principally responsible for this situation and have either not made any investments in the network infrastructure at all or have made very insignificant ones. We at BIF believe that industry prospers only if consumers are satisfied, therefore it logically follows that when considered in a holistic and rational manner, consumer and industry interests are, more often than not, congruent.

In the current case, the primary consumer requirement would be to have good call quality. and the Consultation paper points to several facts and possible factors that are contributing to the problem. The actors are many and not confined to the operators alone. We say this not with a view to be pro-industry and anti-consumers. However, when all operators, both public and private are affected, one clearly realises that that there is, most probably, a strong fundamental cause outside their control that is playing a role.

In this QoS(quality of service) issue, we at BIF are of the opinion that consumer's interests are best served by addressing the several root causes of the issue on hand by all the concerned stakeholders. After the contributory causes are understood & accepted by all the players and after assuming and delivering their respective responsibilities, if it turns out that the QoS gaps still persist, and if compensation for call drops is the way forward, it maybe taken up for consideration at that stage. This approach shall be seen to be neutral and fair to all stakeholders including the consumers and industry.

With the above backdrop, let us take a holistic look at the emerging scenario .

Investments made by the Industry:

1. At the outset, the industry is committed to serve all its customers with the best of the QoS, true value of network services and it is the operator's job to provide them with the best possible service by investing in infrastructure and continuously optimising their network and Upgrading/installing new sites to improve the coverage and capacity.
2. In this regard, we would like to submit that operators have made massive investments in approx. 60,000 new sites for coverage and capacity related issues, out of which more than 50% are 2G sites since January 2015.

3. Investments in improving the capacity:

TRAI in the Consultation paper has highlighted that the investment made by the operators in the network Infrastructure (other than spectrum) i.e. around 2,11,691 crore in F.Y. 2013-14, which was not able to keep pace with the growth in the usage in the same period and hence it is one of the main reason for the call drops. In this regard, it is relevant to point out that the capacity of the network cannot be just determined by the sites alone but also by the investment made by the operators in acquiring the spectrum and also in the investment made by the operators in terms of more channel bearing infrastructure .

BIF believes that there is also a need to understand the business model of the telecom service providers in a highly competitive scenario where they have shifted their business model from “Capex to Opex Model” where some the telecom activities are provided by the vendors which are covered under the operating expenditure, therefore, the TRAI may also consider the factor of Opex incurred under the accounting heading of network services / Network operating costs for any comparison of network capacity.

It may be pertinent to point out here that it is indeed a fact that most of the current networks are highly overloaded due to the fast growing traffic and with rapid growth of the mobile subscriber base. This leads to huge network congestion and thereby increases the incidence of call drops. TRAI having recognised the situation, has in its earlier Recommendations to the Govt. on " Acceleration of BB penetration " on April 17, 2015 pointed out that availability of spectrum in India is only around 40% of what is available with comparable countries elsewhere and highlighted the crying need for additional spectrum to be made available for commercial telecom services. The service providers are under obligation to provide telecom services and of course cannot refuse to do so.

B .Possible Reasons for Call Drops:

BIF would like to highlight the following major factors which are responsible for causing Coverage Disruptions, Network Congestions, overload of the different elements of the network etc., which in turn results into Call Drops.

BIF notes that presently the industry is grappling with many operational challenges at several stages viz.

- Illegal Sealing of Towers/Sites by local municipalities
- Sealing by local residents due to alleged EMF radiation hazards.
- Artificial restrictions to install towers on educational institutions, hospitals, forest lands, historical & archeological protected areas, and even residential areas
- Local bodies creating delays which are not logical or reasonable
- State bodies insisting on multiple levies like registration/installation/sharing /renewal fees, property tax, etc. considering telecom/ telecom infrastructure as a revenue-making exercise for the exchequer.
- Issues pertaining to Right of Way (RoW)
- Frequent fiber cuts

- Site outages on account of long power failures and delay in restoration of power supply by electricity boards.
- Ownership/legal issues
- Interference due to illegal wide band radio and coverage restrictions arising out of cross border spectrum interference
- Constraints in 'Change over Spectrum'

C. Besides this, there are some larger national issues viz.

1. Shortage of Spectrum amid surging data traffic growth:

- Low Spectrum Allocation per subscriber:** The spectrum allocation for the typical Indian operator is approx. 0.08 MHz/ mn Subs, which is very low as compared to other countries. BIF notes that spectrum availability is miserably short in India, barely 40% of what is available in comparable geographies
- Spectrum Related issues having major impediment on QoS (resulting in Call drops):**
 - lack of globally harmonized spectrum in contiguous form
 - Delay in allocation of spectrum;
 - Reduction in 2G frequency band after the spectrum auction;
 - Major changeover of frequencies within and across the 900 MHz and 1800 MHz bands on live networks for some operators

2. DoT Norms on EMF Radiation:

Apart from the difficulties raised by the local authorities, in many cases, towers are being shut down or not allowed to come up for reasons of unfounded concerns as regards possible harmful effects of EMF exposure. In 2008, DoT introduced EMF limits for towers and cell phones in line with the World Health Organisation recommended *ICNIRP (International Commission for Non-Ionising Radiation Protection) limits which followed by the vast majority of nations and has a built-in margin of safety of as much as 50 times! The WHO has clearly endorsed the ICNIRP limit to all countries and stated that this is an adequately protective standard for all and that there is no evidence to warrant a reduction of these limits.*

Cell phones emit extremely low EMF, several folds below the ICNIRP/WHO limit. **It is important to understand that the EMF exposure from towers is even far lower in intensity than that from the mobile towers. As pointed by WHO in 2013, the EMF from towers is about a thousand times lower than that from mobile phones**

3. Issuance of Fresh Spectrum after License expiry:

Nowhere in the world running and well-performing licensees, with settled and stable networks serving millions of customers, have had their in use spectrum taken away and

replaced with completely different frequencies. There is change in the quantum and the frequency spots of the auction spectrum won by the operators in the auctions. The same has led to retuning **of the network equipment** in major circles/cities e.g. Delhi, Mumbai, Kolkata etc. This is also another unique cause of call drops which is applicable here only.

Having mentioned the issues that the industry is grappling with, let us step back and also follow what are the initiatives & measures the industry has taken to tide over the Call Drop issue.

Initiatives taken by the Industry to resolve the issue

Over the last several weeks the issue of call drops has been an area of major concern which has attracted much attention. The industry has taken serious recognition of the issue and is working on a war footing to address the Call drop incidences. Some of the initiatives taken by them are:

1. Special Drive test conducted by the operators to analyse the reasons for the Call drops i.e. for RF Optimization.
2. Roll out of the 3G and 4G network i.e. offloading the traffic from 2G networks and optimised hand-offs between 2G, 3G & 4G sites.
3. Reached out to customers, seeking their help to identify areas where they face call drops and their suggestions on setting up mobile cell-sites.
4. Offloading of the traffic to Wi-Fi
5. Installation of IBS and Small cells for improving indoor coverage
6. Augmentation of existing RF resources.
7. T.V program conducted by the Industry to create awareness on the issue of Call drops
8. Continuous optimisation efforts such as regular drive tests, TRX reshuffling, periodic automatic frequency plans, etc.

In summary, BIF wishes to highlight the following:

Compensation to the Consumers in the event of the Dropped Calls:

As already explained in the preamble, BIF is of the opinion that in a highly competitive telecom market, consumer compensation at this stage will not resolve the problem of the call drops. There could be several reasons for Call drops-all of which cannot be attributed to the fault of the operator alone. These are a) identification of the concerned operator for the Call Drop, b) issues pertaining to handset quality, c) interference due to illegal wideband repeaters etc.

BIF is of the view that **following steps/initiatives can help resolve the issue of the Call Drops substantially.**

- Focused efforts to secure government buildings and constructive center-industry engagement with local bodies
- Learning from spectrum change-over issues in metro service area in order to avert larger scale problems in future
- That the way to resolve the issue is through co-operation & collaboration by all concerned stakeholders together .

To summarise the discourse, BIF humbly requests TRAI to kindly use its good offices to recommend to the central Government and DOT to announce the following measures which shall go a long way to help alleviate the call drop issues.

- 1. DOT should notify clear rules derived from its advisory guidelines dated 1st August, 2013 for the installation of towers across the country**
- 2. For abundant clarity, DOT may clarify through its rules above that the fees/charges levied by local authorities /states for tower installation should be a nominal and reasonable amount which should be sufficient to cover the cost of administrative charges.**
- 3. Detailed implementation plans & procedures may kindly be notified for the availability of Government properties for tower installations all over India**
- 4. As in the case of Government properties, DOT is requested to kindly extend similar supportive action for location of towers on Defence land & buildings.**
- 5. Put out the DOT's EMF Radiation Norms out in the public domain and its relative ineffectiveness to harm the human body.**
- 6. Have a multi stakeholder alignment and collaboration as the way forward to resolve the matter.**

In line with the above discourse, BIF's response to the questions in the CP are given below.

ANSWERS TO TRAI CP's QUESTIONS:

Answer to Q1:

BIF Response

BIF does not recommend that calling consumers should be charged for call duration of less than 5 seconds. In case the call gets dropped after 5 seconds duration, then the last pulse after which the call dropped should not be charged.

Answer to Q2 & Q 3:

BIF Response: No Comments

Answer to Question No.4:

BIF Response

BIF requests TRAI to recognise the services of the operators who bring the Call drop to below 2% by offering some incentive by way of rebate in license fees or reduction in terms of taxes etc . This could motivate the operators to deliver better quality of service, thereby leading to higher consumer satisfaction .This way, both the Operators and the Government stand to benefit as enhanced customer goodwill & satisfaction shall translate into enhanced revenues for both the operators and higher license fees & taxes for the Government.