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TELECOM REGULATORY AUTHORITY OF INDIA

For Immediate release

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TRAI issues guidelines for better Internet/ broadband service

2nd March, 2009, Telecom Regulatory Authority of India (TRAI) issued guidelines to all service providers (ISPs, UASLs, CMSPs, BSOs) providing Internet/ broadband to ensure better services to their subscribers.

TRAI came up with a Regulation on "Quality of service of Broadband Service" in October 2006, which stipulated benchmarks for several parameters such as packet loss, latency in the network, bandwidth utilisation and connection speed. The main purpose of this Regulation was to protect the interests of consumers of Broadband service and enhance subscriber satisfaction.

There have been complaints from the subscribers regarding inadequate broadband speed being provided by the Internet Service Providers. Most of the complaints allege that the available broadband speed is lower than the subscribed speed. Non-availability of subscribed speed at the Subscriber's end deteriorates the performance of applications run by users and in turn restricts the utility of broadband connection.

In order to have meaningful examination of the relevant issues the Authority had suo-motu issued a Consultation Paper on "Bandwidth required for ISPs for better connectivity and improved quality of service" on 15th January, 2009.

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The Authority considered comments of stakeholders, international practices and likely impact of regulatory intervention on pricing of existing internet/broadband plans. The Authority recognizes the need of high quality Internet and broadband services. Though the existing regulation stipulates parameters for speed of connection and bandwidth utilization, monitoring of these parameters is complex. There are number of factors impacting broadband speed such as length & quality of local loop, bandwidth availability at ISP gateway, congestion in the global internet, problems with subscriber's equipment like insufficient memory, Operating System, Virus etc. In such a scenario, it is important to enhance subscriber education and awareness for better understanding of Internet services.

The contention ratio (Number of users competing for the same bandwidth) is a tool to ensure availability of minimum bandwidth in Service providers' network based on the number of subscribers and can improve quality of service. However any regulatory burden in present economic environment of Internet sector may increase the cost of service provisioning and will adversely impact the growth of broadband. The Authority prefers least regulatory intervention while providing greater flexibility to service providers (ISPs, UASLs, CMSPs, BSOs) to ensure better quality of service to internet/broadband subscribers.

The Authority has considered various options and is of the view that a guideline may be issued to all service providers and encourage them to use their ingenuity to improve the service to their subscribers.

The salient features of the guidelines are:

- Provide adequate information to subscribers regarding Internet/broadband services being offered and marketed as a good business practice.
- Provide information regarding contention ratios adopted for different services by service providers in their tariff plans submitted to TRAI, manual of practice, call centers and on their websites.
- Publish contention ratio for different Internet/broadband services on their website quarterly to facilitate subscribers to take informed decision.
- Ensure availability of minimum required bandwidth in their network according to maximum contention ratio suggested by TRAI for different services based on number of subscribers.

The guidelines are also available on TRAI's website <u>www.trai.gov.in</u>.

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