

## भारतीय दूरसंचार विनियामक प्राधिकरण TELECOM REGULATORY AUTHORITY OF INDIA भारत सरकार/Government of India



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Dated the 27<sup>th</sup> September, 2016

## **NOTICE TO SHOW CAUSE**

Subject: Show cause notice to M/s Vodafone India Limited, the licensee, for violation of the Standards of Quality Of Service Of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009 and the provisions of License Agreements

**No. 10-6/2016-BB&PA** Whereas the Telecom Regulatory Authority of India (hereinafter referred to as the Authority), established under sub-section (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997) [hereinafter referred to as TRAI Act], has been entrusted with discharge of certain functions under section 11 of said Act, *inter alia*, to ensure compliance of terms and conditions of license; to ensure technical compatibility and effective inter-connection between different service providers and to ensure quality of service provided by the service providers so as to protect interest the consumers of telecommunication service;

- 2. And whereas the sub-clause 27.4 of Clause 27 on "Network Interconnection" of the Part-I of Unified License reads as under:
  - "27.4 Licensee shall interconnect with other Telecom Service Providers at the Points of Inter-connection (POI) subject to compliance of prevailing regulations, directions or determinations issued by TRAI. The charges for accessing other networks for inter-network calls shall conform to the Orders/

Regulations/ Guidelines issued by the TRAI/ Licensor from time to time. The Interconnection Agreements will, inter-alia, provide the following:

- (a) To meet all reasonable demand for the transmission and reception of messages between the interconnected systems.
- (b) To establish and maintain such one or more Points of Interconnect as are reasonably required and are of sufficient capacity and in sufficient number to enable transmission and reception of the messages by means of the Applicable Systems,
- (c) To connect, and keep connected, to their Applicable Systems.";
- 3. And whereas the sub-clause 6.2 of Clause 6 on "Network Interconnection" of the Part-II of Unified License provides that it shall be mandatory for the LICENSEE to interconnect to/provide interconnection to all eligible Telecom service Providers to ensure that the calls are completed to all destinations;
- 4. And whereas sub-clause 26.2 of Clause 26 on "Network Interconnection" of Unified Access Service License reads as under:-
  - "26.2 The LICENSEE may enter into suitable arrangements with other service providers to negotiate Interconnection Agreements whereby the interconnected networks will provide the following:
  - (a) To meet all reasonable demand for the transmission and reception of messages between the interconnected systems.
  - (b) To establish and maintain such one or more Points of Interconnect as are reasonably required and are of sufficient capacity and in sufficient numbers to enable transmission and reception of the messages by means of the Applicable Systems,
  - (c) To connect, and keep connected, to their Applicable Systems.";
- 5. And whereas sub-clause 27.2 of Clause 27 on "Network Interconnection" of Cellular Mobile Telephone Service License reads as under:

- "27.2 The Cellular Service Licensee may enter into suitable arrangements with other service providers to negotiate Interconnection Agreements whereby the interconnected networks will provide the following:
- (a) To meet all reasonable demand for the transmission and reception of messages between the interconnected systems.
- (b) To establish and maintain such one or more Points of Interconnect as are reasonably required and are of sufficient capacity and in sufficient numbers to enable transmission and reception of the messages by means of the Applicable Systems,
- (c) To connect, and keep connected, to their Applicable Systems,";
- 6. And whereas the Standards of Quality Of Service Of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009 dated the  $20^{th}$  March, 2009, *inter-alia*, provide that every cellular mobile telephone service provider shall meet the Quality of Service benchmark of  $\leq 0.5\%$  for POI Congestion (on individual POI) averaged over a month;
- 7. And whereas the Authority received a letter No. RJIL/TRAI/2016-17/230, dated the 14<sup>th</sup> July, 2016 from M/s Reliance Jio Infocomm Limited (hereinafter referred to as RJIL) providing details of inadequacy of E1s with M/s Vodafone India Limited (hereinafter referred to as Vodafone) (a copy of the letter dated 14<sup>th</sup> July, 2016 is annexed as **Annexure-I**);
- 8. And whereas the Authority, vide letter No. 10-6/2016-BB&PA, dated the 19<sup>th</sup> July, 2016 asked Vodafone to do the needful and furnish their response on the issues raised by RJIL (a copy of the letter dated 19<sup>th</sup> July, 2016 is annexed as **Annexure-II**);
- 9. And whereas the Authority received a letter No. RJIL/TRAI/2016-17/341, dated the 4<sup>th</sup> August, 2016 from RJIL requesting the Authority to direct Vodafone to provide requisite number of additional E1s to remove congestion at inter-operator Points of Interconnection (hereinafter, referred to as POIs), which is severely

hampering the ongoing test trial of RJIL's services (a copy of the letter dated the 4<sup>th</sup> August, 2016 is annexed as **Annexure-III**);

- 10. And whereas the Authority received a letter No. VIL/LT/2016-17/331 dated the 19<sup>th</sup> August, 2016 from Vodafone in response to the Authority's letter mentioned in Para 8 above (a copy of the letter dated the 19<sup>th</sup> July, 2016 is annexed as **Annexure-IV**);
- 11. And whereas the Authority received a letter No. RSM/COAI/2016/183 dated 2<sup>nd</sup> September, 2016 from COAI regarding induced asymmetry and abnormality of terminating traffic of RJIL (a copy of the letter dated 2<sup>nd</sup> September, 2016 is annexed as **Annexure-V**);
- 12. And whereas a meeting was held by the Authority on the 9<sup>th</sup> September, 2016 wherein it was conveyed to the telecom service providers that the Authority would ensure that the consumers of the telecom service providers should not suffer because of the inadequacy of POIs (a copy of the minutes of the meeting is annexed as **Annexure-VI**);
- 13. And whereas the Authority received a letter No. RJIL/TRAI/2016-17/630, dated the 15<sup>th</sup> September, 2016 from RJIL providing details of call failure with Vodafone in 22 Telecom Licensed Serviced Areas and seeking the Authority's intervention to resolve the matter in order to protect the interests of the Indian customers (a copy of the letter dated the 15<sup>th</sup> September, 2016 is annexed as **Annexure-VII**);
- 14. And whereas the Authority, vide letter No. 10-6/2016-BB&PA dated the 19<sup>th</sup> September, 2016 asked Vodafone to furnish information on the steps taken by them after the afore-mentioned meeting of the 9<sup>th</sup> September, 2016 and to furnish the information on traffic on POIs with RJIL during busy hour in a prescribed format (a copy of the letter dated the 19<sup>th</sup> September, 2016 is annexed as **Annexure-VIII**);

15. And whereas the Authority received an letter No. VIL/LT/16-17/400 dated the 23<sup>rd</sup> September, 2106 from Vodafone in response to the afore-mentioned letter dated the 19<sup>th</sup> September, 2016, providing the information on traffic on POIs with RJIL during busy hour (a copy of the letter dated the 23<sup>rd</sup> September, 2016 is annexed as **Annexure-IX**);

16. And whereas on perusal of the information furnished by Vodafone, the Authority has prima facie noted that in most of the licensed service areas, the percentage of failed call attempts during busy hour with RJIL is exorbitantly high, thus Vodafone has failed to meet the benchmarks for POI congestion prescribed in quality of service regulations referred above at the POIs with RJIL and relevant provisions of the license;

17. Now, therefore, M/s Vodafone India Ltd. is hereby required to show cause, within ten days from the date of receipt of this notice, as to why action under the provisions of the TRAI Act should not be initiated against them for violation of the Standards of Quality Of Service Of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009 dated the 20th March, 2009 and the provisions of Unified License and Unified Access Service License, as applicable and in case no written statement of explanation is received within the time so allowed, the matter shall be proceeded with the presumption that M/s Vodafone India Ltd. has nothing to state in their defence.

Encl.: As above

(Arvind Kumar)

Advisor (BB&PA)

To,

Shri Sundeep Kathuria,

E. Vice President (Regulatory Affairs),

M/s Vodafone India Limited,

7<sup>th</sup> Floor, DLF Center,

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