



**Comments on Draft Regulation**

**On**

**THE Standards of Quality of Service of Basic Telephone Service  
(Wireline) and Cellular Mobile Telephone Service (Second  
Amendment) Regulations, 2012**

## **Comments on Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Second Amendment) Regulations, 2012**

1. Reliance Communications Ltd (RCOM) welcomes the opportunity extended to comment on the 2<sup>nd</sup> Amendment of The Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service. .

### **Financial Disincentive and Compounding of Offence**

2. TRAI's proposal that TSPs should pay 'financial disincentive' in case any QOS parameter benchmark is not met seems to be in lieu of undergoing consequences of prosecution. Thus 'financial disincentive' is nothing but compounding of charges. The compounding of an offence is a settlement mechanism, by which, one is given an option to pay money in lieu of his prosecution, thereby avoiding a prolonged litigation.
3. Even power to put penalty on service providers is not explicitly provided in the TRAI Act, 1997 as is clearly provided in the SEBI and CCI Acts. We note that SEBI and CCI Acts not only provide provisions for penalty but for adjudication of penalty amount and its deposit in the consolidated fund of India.
4. We note that explicit power of compounding/consent/penalty is not available with the TRAI under the TRAI Act, 1997. Like TRAI these powers are not savailable even with other Regulators like AERA.
5. The TRAI has clear powers to enforce its regulations, orders as per Section 11, 12 and 13 of the TRAI Act, 1997 which provides powers to call information investigate and issue directions.
6. **In view of the prevailing legal position RCOM requests TRAI that draft provisions to impose financial disincentives on TSPs should not be notified.**

### **Quality of Service should not be Regulated**

7. Without prejudice to the above legal views, RCOM submits that the level of regulatory intervention with respect to QoS should dependent on the degree of competitiveness that is present in the market. There is strong competitive pressure on service providers to attract new customers and retain existing customers.

8. The churn can be controlled only when subscriber is provided quality service better than the competitor. Thus in a competitive environment it is in the service provider's best interest to address the needs and concerns of its subscribers. As market is competitive RCOM believes that there is no need to regulate QoS and thus the issue of imposing financial disincentives for not meeting the QoS benchmarks should not arise.
9. TRAI regularly publishes Performance Monitoring Reports, Audit Reports and Surveys on Quality of Service to inform consumers about relative QoS performance of TSPs. Consumers can now choose network not only on the basis of tariff offerings and also based on QoS performance by respective TSPs.
10. With the introduction of Mobile Number Portability consumer has now choice to change network without even changing his or her telephone number in case not satisfied with the QoS offered by TSP.
11. In view of the above it is requested that TRAI should not mandate QoS benchmarks and there should not be any financial disincentive for not meeting benchmark. However TRAI may continue to monitor QoS Parameters which can be published for information of consumers and enable them to take informed decision while choosing their service providers.
12. The comments and specific amendments proposed by the TRAI are as follows:-

Sr. No	Name of Parameter	Proposal by TRAI (for Amendment of QoS Policy)	RCom response / Comments
1	<b>3A: Consequences for failure of basic service providers to meet the Quality of Service benchmarks</b>	1) If a basic telephone service provider fails to meet the Quality of Service benchmarks specified under sub-regulation (1) of regulation 3, it shall, without prejudice to the terms and conditions of its licence, or the Act or rules or regulations or orders made, or, directions issued, there under, be liable to pay an amount, by way of financial disincentive, not exceeding rupees fifty thousand per parameter and in case of second or subsequent such contravention, to pay an amount not exceeding rupees one lakh per parameter for each contravention, as the Authority	Considering the competition level and with the introduction of MNP, the TRAI should consider to deregulate QoS standards. There should not be any financial disincentive for not meeting the QoS benchmarks.

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		<p>may, by order direct : Provided that no order for payment of any amount by way of financial disincentive shall be made by the Authority unless the basic telephone service provider has been given a reasonable opportunity of representing against the contravention of the regulation observed by the Authority.</p>	
		<p>(2) If the compliance report furnished by a basic telephone service provider under sub-regulation (2) of regulation 3 is false and which such service provider knows or believes to be false or does not believe to be true, it shall, without prejudice to the terms and condition of its licence, or the Act or rules or regulations or order made, or, direction issued thereunder, be liable to pay an amount, by way of financial disincentive, not exceeding rupees ten lakh per parameter for which such false report has been furnished. Provided that no order for payment of any amount by way of financial disincentive shall be made by the Authority unless the basic telephone service provider has been given a reasonable opportunity of representing against the contravention of the regulation, observed by the Authority.</p>	
2	<p><b>5A. Consequences for failure of cellular mobile telephone service provider to meet Quality of Service benchmarks</b></p>	<p>1) If a cellular mobile telephone service provider fails to meet the benchmark of parameter specified under serial number A of sub regulation (1) of regulation (5), it shall, without prejudice to the terms and conditions of its licence, or the Act or rules or regulations or orders made, or</p>	<p>1) <b>Financial dis-incentive:-</b>  We do not recommend the proposed financial disincentive system of TRAI for the following reason:-  (a) MNP has already been implemented which empowers</p>

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		<p>direction issued, there under, be liable to pay an amount, by way of financial disincentive, not exceeding rupees fifty thousand per parameter and in case of second or subsequent such contravention, to pay an amount not exceeding rupees one lakh per parameter for each contravention, as the Authority may, by order direct Provided that no order for payment of any amount by way of financial disincentive shall be made by the Authority unless the cellular mobile telephone service provider has been given a reasonable opportunity of representing against the contravention of the regulation observed by the Authority.</p>	<p>customers to choose the desired operator. Hence market forces are already working well and controlling the business environment with consumer having choice to switch operators. In view of this operators are already being penalised for offering poor QoS to customers. <b>Hence additional financial dis-incentive is not required to be implemented by TRAI.</b></p> <p><b>2 Unfavourable Operating Environment</b> - The operating telecom environment has changed and operators are facing a lot of issues which are impacting operations and QoS KPIs. The major issues are as follows:-</p> <p>(a) Sites not permitted in cantonment area's, Hospitals &amp; Schools. These coverage gaps/weak coverage areas results in call drops and also impact other KPIs like Voice quality due to call dragging.</p> <p>(b) Frequent Fiber cut causing outages, due to expansion of the National Highways. No electricity supply in most of the Rural towns for 2-18 hrs in most circles due to poor infrastructure. This has an adverse effect on the quality of the network &amp; degrades the QoS.</p> <p>(c) Mobile radiation Issues resulting in owner issues and sites are being removed causing coverage gaps.</p> <p>(d) Inter-site distance for</p>

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			<p>Single site town is more in rural areas, resulting in high TA (Timing Advances) which results in call drops due to Call Dragging.</p> <p>(d) <b>Recommendations:-</b>Due to above operating environment issues, it is recommended that present benchmarks for QOS KPI's should be revised or else Exclusions for events beyond the control of operators should be given for calculation of KPIs. The revised bench mark and list of Exclusions is given at <b>Annexure "A" and "B" respectively.</b></p>
		<p>2) If a cellular mobile telephone service provider fails to meet the benchmark of parameter specified under serial number B of sub regulation (1) of regulation (5), it shall, without prejudice to the terms and conditions of its licence, or the Act or rules or regulations or orders made, or direction issued, there under, be liable to pay an amount, by way of financial disincentive, not exceeding rupees fifty thousand per parameter: Provided that no order for payment of any amount by way of financial disincentive shall be made by the Authority unless the cellular mobile telephone service provider has been given a reasonable opportunity of representing against the contravention of the regulation observed by the Authority.</p>	<p><b>Reasons as mentioned above</b></p>

**Annexure- A**

**Proposed Changes to QoS KPI Benchmarks:-**

<b>Sr. No</b>	<b>Name of Parameter</b>	<b>Present Benchmark</b>	<b>RCOM Proposed Benchmark</b>
<b>A</b>	<b>Network Service Quality Parameters:</b>		
(i)	Network Availability		
	(a) BTSs Accumulated downtime (not available for service)	≤ 2%	<5%
	(b) Worst affected BTSs due to downtime	≤ 2%	<5%
(ii)	<b>Connection Establishment (Accessibility)</b>		
	(a) Call Set-up Success Rate (within licensee's own network)	≥ 95%	No change
	(b) SDCCH/ Paging Channel Congestion	≤ 1%	No change
	(c) TCH Congestion	≤ 2%	<4%
(iii)	<b>Connection Maintenance (Retainability)</b>		
	(a) Call Drop Rate	≤ 2%	<4%
	(b) Worst affected cells having more than 3% TCH drop (call drop) rate	≤ 3% (From 01.04.2011 )	May be removed from QoS as already monitored at Busy Hour
	(c) connections with good voice quality	≥ 95%	No change
(iv)	Point of Interconnection (POI) Congestion (on individual POI)	≤ 0.5%	No change

**Note:-**

- The reasons and justification for the change in benchmarks is given above at SI No 2 under RCom comments (Unfavourable Operating Environment)
- KPI mentioned at A (iii) (b) - Worst affected Cells having more than 3% call drop is a BBH KPI and most single town Rural sites may not meet the KPI benchmark due to high Timing Advance (calls at high distance from site) and no neighbour site to hand off the call. In view of this , the KPI may be dropped for reporting.**

## Annexure- B

### LIST OF EXCLUSIONS

**List of events to be considered for exclusion (events beyond operator's control). KPI for the day of the event will not be included in the calculation for the average of the month.**

1. Force majeure & Natural calamities
2. Impact due to Law & order issues like curfews, bandhs, etc
3. Objection in running sites (including access related issues) due to public issues like Radiation related health hazard, etc
4. Failures caused by major power grid failures
5. Impact due to fibre cuts and other disruptions caused by ongoing infrastructure improvement projects like National Highway expansion, Water supply improvement programs, etc
6. Impact because of persisting external radio interference, even after escalation to concerned authorities
7. Repeated theft at sites even after logging complaints with law enforcement agencies like Police, etc
8. Impact due to coverage restrictions requirement at international borders