

Aircel/TRAI/Corr/2015/ 153
September 21, 2015

Smt. Vinod Kotwal
Advisor (F & EA)
Telecom Regulatory Authority of India
MTNL Telephone Exchange Building
Jawahar Lal Nehru Marg (Old Minto Road)
New Delhi - 110 002

Sub : Response to Consultation Paper on Compensation to the Consumers in the Event of Dropped Calls

Madam,

This is with reference to the Consultation Paper on Compensation to the Consumers in the Event of Dropped Calls.

In this regard, please find attached our response to the above mentioned Consultation Paper.

We hope TRAI will take our inputs into consideration while deciding on the Consultation Paper. The hard copy of our comments will also be submitted on Tuesday, 22nd September, 2015.

We request you to take the above on records.

Thanking You,

Yours Sincerely,

For Aircel Group



Ramesh K
Sr. General Manager – Corporate Regulatory Affairs

Encl : as stated above

Aircel Limited :

Corporate Office : 5th Floor, Building No. 10-A, DLF Cyber City, Gurgaon-122 002 (Haryana), Ph. : +91-124-4765100, 4765400,
Fax : +91-124-4290524, 4290534. **Registered Office :** 5th Floor, Spencer Plaza, 769, Anna Salai, Chennai (TN) 600002.
Corporate Identity Number: U32201TN1994PLC029608. Tel No : +91 44 28490849, Fax No: +91 44 42280155.
E-mail: corporate.al@aircel.co.in, website: www.aircel.com

Aircel Group Response to TRAI Consultation paper on “Compensation to the Consumers in the Event of Dropped Calls” dated 04.09.2015

Preamble:

At the outset, we welcome the opportunity to respond to this consultation paper and would like to assure the Authority of our strongest commitment to provide world class telecom services to our esteemed customers and work towards reducing the Call Drop instances. We would like to express that we take Call Drops extremely seriously; and it is one of our strategic priorities to tackle and resolve the incidences as well as the dissatisfaction it causes to our consumers.

We would like to work in tandem with all concerned stakeholders to mitigate the Call Drops incidences to the minimum possible levels. However, for this objective having multiple and dynamic factors, as it can't be driven by operator alone, the responsibility can't rest on operator alone. In the technological world, there are multiple stakeholders which directly or indirectly form part of the live network ecosystem.

With above in mind, we are concerned that the consultation paper floated by the TRAI focuses almost entirely on the narrow objective of compensation in the event of call drops instead of comprehensively and objectively dealing with all the inherent factors leading to unsuccessful calls in a live networks handling billions of voice call minutes. We verily believe that this consultation, if done alone in its present form & approach, will neither help fastening of resolution of the factors leading to Call drops (most of which are beyond our control and linked to multiple statutory Authorities) nor will it recognize the extent of efforts being put in by operators in improving the quality of services.

Compensation to consumers in an already loaded network is not a right approach as it would put further load on network and would multiply the problem; which otherwise could be taken care of, if other directly attributing factors related to Government organizations are resolved. Compensation is akin to putting more combustible material to a fire problem instead of fire extinguishing substance.

We also note that the paper takes no account of the factors being linked to multiple Government bodies/agencies as well as perception of common public about the radiation hazards, which are beyond the control of an operator. We verily believe that if we all as stakeholders, can work upon on an approach to resolve such issues linked to Government organizations (highlighted in detail in our response herein after), we may well overcome the Call Drops problem and achieve the QoS benchmark for this, or even better than that.

Call Drops covered under Financial Disincentive:

We would like to draw your attention towards the Licensing condition whereby Quality of service is to be ensured as prescribed by DoT or TRAI. In pursuance to such Licensing conditions, TRAI has issued QoS

A handwritten signature in blue ink, appearing to be a stylized name or set of initials.

regulation vide which it has prescribed the QoS benchmarks for various network and customer services parameters, which are to be achieved by the Licensee. In the said Regulations, TRAI has also specified the financial disincentives in case any operator is not able to achieve the QoS benchmarks and hence, is financially disincentivized for the non-compliance to TRAI regulations & Licensing norms.

Now, having put in place such mechanism of financial disincentive for not meeting TRAI regulations/Licensing norms, it would be akin to 'Double Jeopardy' if TRAI opts for additional and separate compensation in the event of Call Drops.

We have been requesting the Authority to have the comprehensive review of QoS Regulations and its LSA specific applicability since the QoS also depends on the factors exists in the circle & geographical terrains. This is the high time for such a review.

Investments made in the Network infrastructure

It is most proper to highlight the huge investments being made by Aircel in upgrading and expansion of the network infrastructure. We have invested in excess of INR 18,000 Crs till 2014 and have already invested INR 2200 Cr in 2015 (till August) & have also committed further investments for expansion of its network services.

The Radio network entails new sites being rolled out as well as existing cabinet expansions, which had been close to 7000 new sites and 600 cabinet expansions in FY 2014-15. Post that, in this year in Quarter-2, new sites roll-out has been more than 2200 with cabinet expansions nearing 200. Our plan for next two quarters again is quite sizeable with over 6000 new sites (2G + 3G) and approx. 1400 cabinet expansions.

Further, below we provide our views on the additional factors leading to call drops which have not been captured by TRAI in its paper and update on our efforts towards minimizing such instances of Call Drops as part of our response to your consultation paper. We also want to clarify a couple of points set out in the consultation paper.

Factors leading to Call Drops:

Sir, with our close to two decades of experience in running telecom networks, we are of firm view that problem of call drops cannot be addressed through Network optimization only, infact, it has to be a blend of operations of existing network as well as network coverage/capacity expansions.

1. Delay in Spectrum Allocation (Beyond Aircel's control):

Non-allocation of contracted spectrum is causing the biggest impediment in delivering the prescribed QoS benchmark and is one of the biggest factors leading to Call Drops. This has been pointed out earlier as well, to TRAI. We have 4.4 MHz in 11 services areas where we have applied for additional 1.8 MHz





Spectrum, for which we became eligible as per subsisting criteria long back. While even Hon'ble TDSAT has also ruled in Aircel's favour, DoT has yet not allocated additional Spectrum upto contracted spectrum. Allocation of such spectrum would help our network infrastructure and help remove congestion.

Secondly, Aircel has won 10 MHz of 1800 MHz in Tamil Nadu (including Chennai) service area in the Spectrum Auctions held in Mar'2015 and has further received Lol on 27.5.2015. However, even after making payments and fulfilling all the procedure, DoT is yet to allocate Spectrum to us. This is even after it has allocated Spectrum to most of the other winning bidders. We have sent reminders as well to DoT however, there is neither earmarking being done by DoT nor any response has been given to us.

We request TRAI to kindly take it up with DoT for early allocation of 10 MHz Spectrum to Aircel in Tamil Nadu (including Chennai) service area.

If TRAI can support on this cause, there would be a big reduction in Call Drops and we may well achieve the TRAI's QoS benchmark on Call Drops, in the said 11 circles.

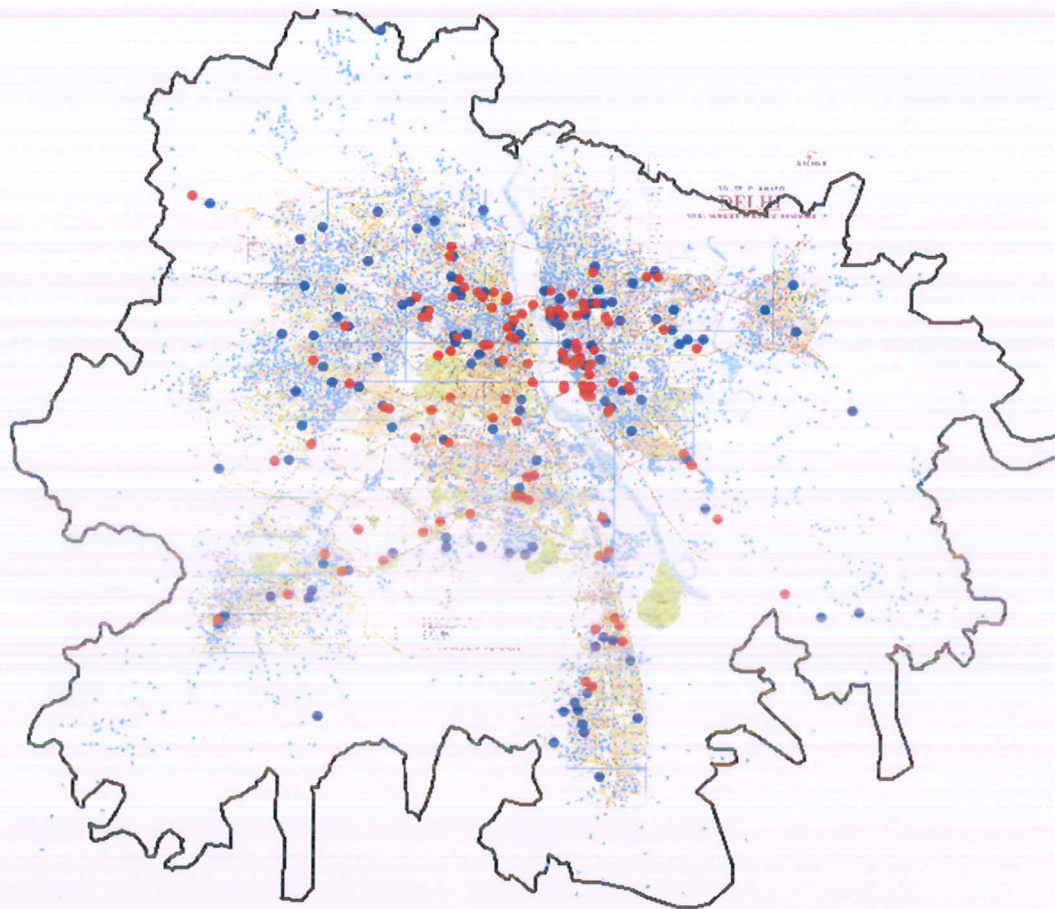
Considering these situations, compensation would be highly unjustifiable and would not solve the problem.

2. Restrictions in acquiring sites (Beyond Aircel's control):

For deployment of Spectrum and its commercial use having a tower/site at appropriate place and at appropriate time is extremely vital without which there is no question of basic coverage leave aside, quality of service. This is a well-known fact that this vital condition is invariably gets compromised because of non-availability of sites at many places such as Government buildings/lands, Defense areas, Hospital etc.; which is beyond our control as an operator. To overcome such long pending handicaps, you would notice that Government recently has made efforts to allow sites to be put in these places (physically yet to be implemented), which would help provide more coverage and capacity leading to reduction in instances of Call Drops.

Factors such as difficulties in identifying new cell/capacity sites, varied rules of local bodies and other restrictions on sites/locations, Delayed RoW clearances are major reasons attributing to the call drops.

Further, such sealing/dismantling of towers have multiplying effect as it also affects adjacent cells and creates congestion/call drops in all adjacent cells., which can be avoided in consumer's interests. We are giving below a diagram for one of the circle i.e. Delhi explaining how sealing/dismantling has affected neighboring cells as well.



Sealed Sites

Affected Sites

To comprehend the extent of problem being faced by operators, we would like to highlight a very recent case of 18.09.2015, sealing of a site by MCD Delhi at Janakpuri which happened to be a BSC site. Though on face of it it's a single site sealing but, it impacted 153 sites parented to it with a loss of 58267 Erlangs of 24 Hours Traffic with Data Payload of 622GB. Such arbitrary actions would definitely result in massive congestion and call drops, with no fault of operator.

Considering these situations, compensation would be highly unjustifiable and would not solve the problem.

3. Energy problems vis-à-vis Green Telecom requirements:

Grid commercial supply is the basic requirement for energizing telecom networks, which is hardly available in most part of the countries and we have been mainly dependent on DG sets. However, to add to our woes, the licensing and regulatory requirements on Green Telecom has led to removal of DGs at various sites, which has impacted the infrastructure provider in offering high uptime of site due to low



Battery Back-up, leading to quality of service issues including call drops for which operators cannot be blamed in any way.

Considering these situations, compensation would be highly unjustifiable and would not solve the problem.

4. Radiation related norms and concerns (Beyond Aircel's control)

- a) There has been huge opposition from the general public and Resident Welfare associations (RWA) against the installation of towers inside residential areas. This has arisen due to wrong campaigning on health hazards due to tower radiations and many a times just due to ignorance.

The radiation benchmarks has been fixed by Government and industry has been putting lot of efforts on advocacy programs and spreading awareness to general public. However, there is strong need of leading these advocacy programs by the Government and the Regulator as it would lead to better reception by public. Moreover, it is Government which has fixed the benchmarks and is duty bound to allay the fears of radiation health hazard from the minds of Indian public.

With more and more residential clutters occurring leading to dense usage areas, there is severe need of having additional sites and in-fill solutions. Hence, it is proper to address these concerns on immediate and war-footing basis, which would help reduce the Call drops and coverage issues.

It is pertinent to highlight that Hon'ble Minister of Telecommunications and IT, Shri Ravi Shankar Prasad, has also taken note of such sinister campaigning (refer news item in Times Of India dated 18.09.2015) which is leading to non-acquisition of sites. It has been stated that complaint against call drops and campaign against mobile towers cannot go together.

b) 10 times stricter EMF norms than the Global standards:

While the licensor has adopted global ICNIRP standards, it has made the benchmarks 10 times stricter than what has been recommended by the global body. This has led to coverage shrinkage and eventually call drops as well. 10 times stricter EMF norms & the conditions attached, are resulting into EMF issues where 5 or more operators are available at one site/place. This is then being addressed through optimizing the site by reducing power / decreasing Antenna height / providing down tilt in Antenna etc., which directly impacts coverage and results into call drops.

It has been also pointed out by WHO that EMF from towers is about thousand times lower than that from mobile phones. We would also like to point out that WHO has taken on record that ICNIRP limits are safe to be implemented however, in India 10 times lower limit has been adopted. This 1/10th limit further get decreased on a per operator basis, if the tower is being

shared by multiple operators (which is the case in India due to multi-operators and minimal choice in sites being available).

For each operator getting added for sharing of the site, the limit gets decreased per operator i.e. for two operators sharing the site, the limit would further reduce to 1/20th of the ICNIRP limits and similarly to 1/30th for three operators and so on. By and large, sharing is mostly at the level of 5 to 6 players. This is too overcautious approach without any scientific rationale and deteriorates the coverage and call drop issues for the operators.

Considering these situations, compensation would be highly unjustifiable and would not solve the problem.

5. Spectrum with interference & International Border related issues (Beyond Aircel's control):

These issues of unclean Spectrum allocation, have been repeatedly highlighted to DoT and TRAI and there is absolutely no solution or relief being provided to us. There has been severe interference in Punjab, Jammu and Kashmir and Up-East, which is leading to inefficient use of Spectrum and we are not able to commercial use or provide quality services to our customers. Even after having the spectrum (unclean spectrum), we are not able to enhance coverage or capacity, which is thus leading to call drops, congestion.

Further, the coverage restriction imposed for border areas vide licensing conditions, is met by putting Timing Advance limitation. This clearly leads to poor network/call quality at international border areas of Jammu and Kashmir, North-East, West Bengal, Assam and Bihar

Considering these situations, compensation would be highly unjustifiable and would not solve the problem.

6. State actions and Force Majeure events (Beyond Aircel's control):

(Natural Calamities, Law & Order issues, Insurgency, Fiber Cuts, etc.)

- a) Some of the Municipal corporations like in Delhi are carrying out unjust sealing/dismantling drives, which is coupling the problem of coverage and call drop.
- b) There has been fiber cut issues in various circles like Assam, North-East, Bihar, Jammu & Kashmir and Tamil Nadu, due to National Highway expansions being carried out.
- c) Circles like Bihar, J&K, Assam, North-East, Orissa are facing huge issues due to local bandhs, insurgency, law and order problems.
- d) Circles like Assam, North-East, J&K and Bihar etc. are facing Natural calamities and it is not under anyone's control to ensure 100% uptime of entire network.

Details on above have been submitted to TRAI vide our various representation and replies to TRAI's letter. Same may please be read here in conjunction.

Considering these situations, compensation would be highly unjustifiable and would not solve the problem.

7. Installation of Jammers – in Jails and Government premises (Beyond Aircel's Control)

There have been instances of Jammers being placed by different Government authorities in circles like J&K, Up-East and Karnataka, which leads to interference and increased instances of Call drops. Irrespective of capacity of network infrastructure availability at operator's end, such activities would continue to lead to interference and instances of Call Drops.

We request that all above reasons of Call Drops be included in the Paper for finding objective resolution and a way forward to resolve such issues is discussed and arrived at. It would be a fair ask of industry that Telecom service and its network infrastructure is given the status of 'Essential Services'.

Question-wise Response

Q1: Is Do you agree that calling consumers should not be charged for a call that got dropped within five seconds? In addition, if the call gets dropped any time after five seconds, the last pulse of the call (minute/second) which got dropped, should not be charged. Please support your viewpoint with reasons along with the methodologies for implementation.

&

Q2: Do you agree that calling consumer should also be compensated for call drops by the access service providers? If yes, which of the following methods would be appropriate for compensating the consumers upon call drop:

- (i) Credit of talk-time in minutes/ seconds**
- (ii) Credit of talk-time in monetary terms**
- (iii) Any other method you may like to suggest**

Please support your viewpoint with reasons along with the methodologies for implementation.

&

Q3: If the answer to the Q2 is in the affirmative, suggest conditions/limits, if any, which should be imposed upon the provision of crediting talk-time upon call drop and usage thereof.

&

Q4: Is there any other relevant issue which should be considered in the present consultation on the issue of call drops?

Aircel Response

We would like to submit that present architecture does not support this. It would need detailed feasibility analysis across different switch vendors and IT/mediations systems, before commenting upon in detail.

It would not be out of place to expect that any such compensation may be subject to misuse as well.

Final Submission:

We request support from TRAI on below:

1. Objectively consider all the factors leading to Call Drops.
2. Push DoT for early Allocation of Spectrum, additional contracted spectrum of 1.8 MHz in 11 circles as well as 10 MHz of 1800 MHz in Tamil Nadu (including Chennai) service area.
3. Uniform and standard RoW policy, with minimum charges, without revenue enhancement approach.
4. Essential services status to Telecom services and its infrastructure.
5. Mass awareness campaign to be led by DoT and TRAI, for removal of radiation fears as health hazard.
6. Early permissions to install sites on Government Land, buildings, Cantonment/Defence areas, hospitals etc.
7. Compensation to customers should only be dwelled if Call Drops continues after resolving Government organizations related issues.
8. Initiation of time bound detailed consultation process for Comprehensive review of existing QoS Regulations incorporating the factors attributing to Call Drops, LSA wise QoS parameters, incentivizing the operators for the reasons beyond their control, etc.,

XX----- END OF DOCUMENT ----- XX

