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## TELECOM REGULATORY AUTHORITY OF INDIA NOTIFICATION

NEW DELHI, THE ....., 2014

## THE STANDARDS OF QUALITY OF SERVICE OF BASIC TELEPHONE SERVICE (WIRELINE) AND CELLULAR MOBILE TELEPHONE SERVICE (FOURTH AMENDMENT) REGULATIONS, 2014

(-- OF 2014)

- F. NO. 305-25/2014-QoS.---- In exercise of the powers conferred upon it under section 36, read with sub-clauses (i) and (v) of clause (b) of sub-section (1) of section 11 of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), the Telecom Regulatory Authority of India hereby makes the following regulations further to amend the Standards of Quality of Service of Basic Telephone Service (wireline) and Cellular Mobile Telephone Service Regulations, 2009 (7 of 2009), namely:-
- 1. (1) These regulations may be called the Standards of Quality of Service of Basic Telephone Service (wireline) and Cellular Mobile Telephone Service (Fourth Amendment) Regulations, 2014.
  - (2) They shall come into force from the date of their publication in the Official Gazette.
- 2. In regulation 5A of the principal regulations,---
  - (a) for sub-regulation (1), the following sub-regulation shall be substituted, namely:-
  - "(1) If a cellular mobile telephone service provider fails to meet the benchmark of parameter specified under 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, thereunder, be liable to pay an amount, by way of financial disincentive,----
  - (i) not exceeding rupees fifty thousand per parameter for first contravention;
  - (ii) not less than rupees fifty thousand but not exceeding rupees one lakh per parameter for second contravention of the same parameter;

- (iii) not less than rupees one lakh but not exceeding rupees one lakh fifty thousand per parameter for third contravention of the same parameter; and
- (iv) not less than rupees one lakh fifty thousand but not exceeding rupees two lakh per parameter for fourth or subsequent contravention of the same parameter;

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."

**(b)** sub-regulation (2) shall be deleted.

(Sudhir Gupta)

Secretary

- Note.1. The principal regulations were published in the Gazette of India, Extraordinary, Part III, Section 4 dated the 20<sup>th</sup> March, 2009 vide notification No. 305-25/2008-QoS dated the 20<sup>th</sup> March, 2009.
- Note.2. The principal regulations were amended by issuing the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Amendment) Regulations, 2012 (10 of 2012) dated the 7<sup>th</sup> May, 2012.
- Note.3. The principal regulations were further amended by issuing the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Second Amendment) Regulations, 2012 (24 of 2012) dated the 8<sup>th</sup> November, 2012.
- Note.4. The principal regulations were further amended by issuing the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Third Amendment) Regulations, 2014 (12 of 2014) dated the 21st August, 2014.
- Note.5. The Explanatory Memorandum explains the objects and reasons of the "Standards of Quality of Service of Basic Telephone Service (wireline) and Cellular Mobile Telephone Service (Fourth Amendment) Regulations, 2014 ( of 2014).

## **Explanatory Memorandum**

TRAI has laid down the Quality of Service Standards for Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service through the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service Regulations, 2009 (7 of 2009) dated the 20th March 2009. To include the QoS benchmarks for 3G services, the regulations were amended by issuing the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone service (Amendment) Regulations, 2012 (10 of 2012) dated the 7th May, 2012.

- 2. In order to ensure better and effective compliance with the Quality of Service regulations and to protect the interests of consumers, the Authority through the Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Second Amendment) Regulations, 2012 (24 of 2012) dated the 8th November, 2012 prescribed financial disincentive on service providers for non-compliance with the quality of service benchmarks, delay in submission of compliance reports and wrong reporting of performance.
- 3. The regulations provide for financial disincentive on Basic Telephone Service (Wireline) operators for non-compliance with the benchmark for the specified parameters at a rate not exceeding Rs 50,000 per parameter. The regulations prescribed financial disincentive on Cellular Mobile Telephone Service operators for non-compliance with the benchmark for the Network Service Quality Parameters at a rate not exceeding Rs 50,000 per parameter for the first non-compliance and Rs 1,00,000 per parameter for subsequent non-compliance of the benchmarks. The regulations also prescribed financial disincentive on Cellular Mobile Telephone Service operators for non-compliance with the benchmark for the Customer Service Quality Parameters at a rate not exceeding Rs 50,000 per parameter for the non-compliance of the benchmarks. The regulations further provide for a deterrent against false or delayed reporting of the Quality of Service benchmarks.
- 4. TRAI has been monitoring compliance to these regulations through monthly/ quarterly performance reports submitted by service providers. Wherever non-compliance with the benchmark is observed the service provider is given an opportunity to explain the matter and after considering the reply submitted by the service provider, financial disincentives are imposed on the defaulting service providers. TRAI has analysed the compliance reports of cellular mobile telephone service providers for past several weeks and it is

observed that in many cases, the present amount of financial disincentives has not acted as a sufficient deterrent against non-compliance as there have been repeated cases of non-compliance with the benchmarks, though the % of non-compliance has decreased. This indicates lack of commitment or initiative on the part of cellular mobile telephone service providers to improve the quality of service.

5. Considering the above and to protect the consumer interests, the Authority is of the view that there is a need for further tightening the framework for financial disincentives especially for cases of repeated non-compliance so as to ensure better compliance with the regulations by cellular mobile telephone service providers. Accordingly, these amendment regulations prescribe increasing financial disincentives for repeat violations. Also the % of non-compliance in case of customer related parameters are more than that of network related parameters. Hence the Authority has decided to impose identical structure of financial disincentives in both cases. The Authority feels that these measures will act as a deterrent against prolonged non-compliance and will force the cellular mobile telephone service providers to improve the quality of service in a time bound manner.