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## Consultation Paper on ‘Compensation to the Consumers in the Event of Dropped Calls’ dated 4<sup>th</sup> September 2015

Sistema Shyam TeleServices Limited (SSTL) welcomes the opportunity extended by the Telecom Regulatory Authority of India (TRAI) to comment on the consultation paper on “Compensation to the Consumers in the Event of Dropped Calls”.

The mobile sector in India is characterized by intense competition. As compared to other parts of the world, the number of service providers in a service area is the highest and the tariffs are the lowest. The mobile service is extremely affordable and the same is driving the take-up and usage of service.

The Quality of Service (QoS) standards in the QoS regulation were finalized after extensive consultation with the stakeholders, based on the licenses of the service providers and also of the prevalent international practices. Further, TRAI monitors the performance against the QoS benchmarks (including the benchmark pertaining to call drop rate (%)) prescribed by it, through the monthly / quarterly Performance Monitoring Reports (PMRs) and monthly congestion reports submitted by the service providers.

The churn can be controlled only when subscriber is provided QoS 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. SSTL is committed to provide highest quality of service to its customers not merely because it is requirement under the regulation but also for the reason that it is our motto to provide best quality products accompanied by the highest standard of Quality of Experience. We aim that our customers should always have a pleasurable experience of the service as per their satisfaction and expectations.

As observed by TRAI in its consultation paper that 71% of the mobile consumers on a pan-India basis were on per-second-billing tariff plans however 59% of total outgoing usage happened on per second pulse during the quarter ending March 2015, it is pertinent to mention that SSTL is offering per second pulse in almost all its prepaid tariff plans to the customers.

SSTL is offering Code Division multiple access (CDMA) services and the number of call drops in CDMA are quite minimal. CDMA is spread spectrum technology and uses wider channel bandwidth of 1.25MHz, which result in higher spreading gain and hence better interference suppression. This helps in call continuity in weaker coverage areas. The call hand over mechanism in CDMA is “Make before Break” (Soft Hand Off) since every call is connected with multiple cells.



a step ahead

We would like to submit following activities that SSTL is regularly carrying out in its network to enhance customer experience:

- a. Daily performance report analysis for each rouge cell & carrying out physical & parameters optimization
- b. Daily Optimization of neighbour list & fine tuning
- c. Customer complaint redressal on daily basis by making customer visits
- d. Monthly RF drive test with TRAI appointed agencies & physical optimization in the field
- e. Quarterly Network benchmarking drive against completion, identify weak coverage zones against competition & plan improvement
- f. Continuously adding capacity to Network by way of additional sites & sectors for congestion relief

Notwithstanding, the above, our point wise comments on the issues raised by TRAI are as below:

**Q1: 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.**

**SSTL Response:** SSTL believes that calling consumers should be charged for the time they use the service as per the tariffs chosen by the customer in all circumstances. We would like to bring to your kind notice following reasons for the same:

1. 40 % of SSTL's revenue is from voice services and 60% of revenue is from data services however in case of other operators the ratio is approximately 80% and 20% respectively. Any introduction of compensation may see increase in tariff by operators having dominant voice revenue. It is pertinent to mention that the call drop is happening in selected pockets however the tariff will increase universally and will also be applicable to the pockets where there is no issue of call drops. This may be detrimental to the growth of Indian telecom industry.
2. It is difficult to ascertain whether less than 5 sec usage is attributable only to call drops as it has been seen that short duration calls are very common. The short duration call subscribers prefer to call instead of sending a SMS since the charge for a local SMS is Re.1/SMS and the call is being charged based on per second pulse.
3. Call drop may happen due to congestion or any other issue with consumer in originating network or terminating network. Ascertaining cause of call-drop at originating, terminating or at POI may become cause of perpetual dispute and 'who is to be penalized' will be subjective because for POI or terminating end issues related call drops will leave situation to ambiguity and dispute on any compensation to the customer.



a step ahead

4. If the call is dropped at terminating end and the amount for the dropped call is compensated by the originating operator to its customer, the terminating operator upon reconciliation may refuse to settle the compensated amount with the originating operator thereby leading to unnecessary disputes.
5. TRAI has already laid down and enforced the QoS parameters for voice services and the same is being monitored and audited by the regulator on regular basis. The provision for penalty in case of non-compliance of QoS Parameters is already in place. There are already stringent mechanism to enforce quality of service on Radio network hence suggested mechanism to compensate Customer is unwarranted.
6. In this intensely competitive market with MNP ubiquitously available to the consumers with several options in a limited switching cost, every service provider is bound to make a sincere effort to retain existing subscribers and market share. Thus, the need to provide best in class services to the customers arises out of market compulsion.
7. Apart from imposing penalty on default in any network QoS parameter, TRAI also monitors and audit customer grievances related parameters and there is penalty provision even for any default in customer grievance related parameters, hence both Network and call center related performance related parameters are already in place with their respective provision for penalty.
8. It is a matter of fact that every wireless access node covers a geography which is governed by radio wave propagation characteristics, geography / clutter , location of subscribers , devices etc. It is beyond the reach of the service provider to control the customer movements within the coverage boundary like moving in to basement and deep indoor (multiple wall penetration) and dense streets Movement of customers from good coverage to these areas may result in call drops. It is not possible for any service provider to provide guaranteed coverage and have a call drop free network.

**Q2: Do you agree that calling consumers should 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.**

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a step ahead

**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.**

**SSTL Response:** In light of our submission to Q1 & Q4, the calling consumers should not be compensated for call drops by the access service providers.

In case such compensation is introduced, it may also cause high level of misuse, as customers may dispute genuine chargeable calls of very short duration as 'call drop'. This will result in serious revenue leakage both for service provider as well as the Government.

Additionally, there will be surge in traffic at call center due to disputes that may arise because of unjustified reasons of the customers thereby impacting the QoS i.e. call center parameters.

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

**SSTL Response:** Regulator/Licensor also need to look in to challenges being faced by operators to provide call drop free network, some challenges are enlisted below:

1. The sites are not permitted in cantonment areas, hospitals, schools and places like Delhi Lutyen's zone.
2. The mobile radiation Issues resulting in owner issues and frequent sealing of sites without proper justification and notice periods affects network coverage and this is also understood in most of such cases installation of site at alternate location is not feasible thereby causing coverage gaps.
3. It is not possible to give coverage everywhere, especially in all indoor locations, basements and across the coverage geography and mobile customers movement in these areas would always have probability to face call drop.
4. Apart from radio network issues frequent disruption in optical fiber network due to uncoordinated civil work being done by civic authorities also results in loss of coverage and call drops.
5. There should be mechanism to enforce provision for telecom infrastructure while awarding building permission to high rise buildings / group housing schemes.
6. In certain states there is restriction to install towers on educational institutes and hospital buildings.

Department of Telecommunications (DoT) has already taken cognizance of problems being faced by operators in acquiring sites in defense areas, government buildings, Lutyen's Delhi area etc. and is working with ministry of urban development to permit installation of sites on government buildings.

#### **Conclusion:**

It is submitted that as there is intense competition and MNP being in place, it is inherent and now intrinsically built into the nature of the Indian telecom market environment for the operators to



a step ahead

regularly monitor their networks to provide good QoS to the customers. Moreover with the comparable tariffs and equivalent services, the operators themselves are under pressure to maintain their QoS in case they need to attract new customers as well as to retain their existing customers. Hence QoS is driven by market forces rather than regulatory intervention of compensating the customer for a dropped call. The collaborative approach of government and service provider will be best solution to address this problem.

Moreover, we believe that transparency is non negotiable in safeguarding the interest of the consumer. TRAI is transparently publishing the performance of QoS parameters of all the service providers on its website. The customers have an informed choice for obtaining the service from the service provider that best meet their requirements.