

Bharti Airtel Ltd.

India & South Asia

Airtel Center, Plot No. 16,

Udyog Vihar, Phase - IV,

Gurugram - 122 015

www.airtel.in

Call +91 124 4222222

Fax +91 124 4248063



RP/FY/18-19/040/214

03rd May 2018

To,

Sh. S.T. Abbas

Advisor (NSL-II)

Telecom Regulatory Authority of India

Mahanagar Doorsanchar Bhawan,

Jawahar Lal Nehru Marg,

Old Minto Road, New Delhi - 110002

Subject: Consultation Paper on Review of Mobile Number Portability (MNP) Process

Dear Sir,

This is with reference to your above mentioned consultation paper. In this regard, please find enclosed our response for your kind consideration.

Thanking You,

With Regards

For Bharti Airtel Limited

A handwritten signature in blue ink, appearing to read 'Ravi P. Gandhi', with a horizontal line underneath.

Ravi P. Gandhi

Chief Regulatory Officer

Encl: As Above

Airtel's Response to the Consultation Paper on 'Review of Mobile Number Portability (MNP) Process'

At the outset, we thank the authority for giving us the opportunity to give our comments on the MNP process. The service of Mobile Number Portability (MNP) is operative in the country for several years now. However, the current MNP process reached its stability only after several rounds of iterative changes during the course of its operations. From the statistics provided in the Consultation Paper, it is apparent that a significant number of (approx. 344.59 million) porting requests have been successfully processed till date with high degree of customer satisfaction.

The MNP service enables the customers to retain their mobile number when they need to change their service provider or geographical location without facing the cost of changing their phone number to a new one. Moreover, the existing process of switching mobile operators is very simple and consumer friendly. The customer perception about the service of mobile number portability is also quite satisfactory despite minor technical glitches that are inevitable in every process. Under the aforesaid circumstances, the present system should not be altered/modified until and unless far reaching/ substantial gains are expected to be derived from the changes proposed in the Consultation Paper. While the key stakeholders such as Mobile Number Portability Service Providers (MNPSPs) as well as TSPs will incur substantial costs towards implementing the changes suggested in the Consultation Paper, no significant benefits to the consumers or operators are visible.

Currently, the Industry is witnessing major consolidations by way of mergers & acquisitions among telecom operators resulting into rapid movement of subscribers from one network to another. Under these circumstances, any changes made in the current MNP process may have an adverse impact on the movement of users, which is being done effectively in the current process.

We humbly request the authority that instead of completely revamping the well-established process, the present shortcomings or technical glitches may be corrected with minor interventions and the major part of the process can remain as it is. In view of this, we have answered all the questions put forth in the consultation paper.

Detailed comments in respect of each of the issues are as below:

Q1. Would it be appropriate that MNPSP be assigned the task of generating and communicating the Unique Porting Code (UPC) to the subscriber intending to port his mobile number as proposed in the consultation paper?

and

Q2. If you agree to assign the task of UPC generation to MNPSPs, whether the revised process outlined in the consultation paper is appropriate to address the relevant issues being faced in the existing MNP process?

and

Q3. Do you suggest any other methodology which can address the issues being faced in the existing MNP process? Elaborate your answer.

Airtel's Response:

Before we deliberate on the responsibility of UPC generation, let's first understand the purpose of UPC generation. The concept of UPC is like a One Time Password (OTP), which is used to verify the actual user/owner of that number by the Recipient Operator as confirmed by the Donor Operator. This purpose can only be served by delivery of UPC when the customer is active in the network of Donor Operator, therefore, the UPC must be delivered to the customer intending to go for MNP in the DO's network only. In the past there have been some instances of delay in UPC generation by the DO, which we firmly believe can be addressed through specific measures/ actions rather than disbanding the highly robust procedure that has evolved over a considerable period of time.

The simplest way to resolve this problem is to include the UPC generation and delivery as a quality of service (QoS) parameter. The reasonable values can be agreed with all services providers. Further, TRAI can include the monitoring of UPC delay in the list of items in the QoS audit. We believe that this will be the simplest, fastest and most cost-effective way to ensure that the UPC is generated and delivered in a reasonable time by the Donor Operator.

The proposal put forth by TRAI, that the task of UPC generation should be assigned to the MNPSP, entails a major shortcoming. It goes with the presumption that UPC generation will eliminate the role of DO in the process. But as a matter of fact, it will only shift the responsibility of UPC generation to MNPSP while retaining the delivery of UPC with the Donor Operator. Furthermore, there is no basis for an assumption that technical problems

of similar nature will not arise in the systems of MNPSF if the responsibility is handed over to them. In fact, there is a possibility that generation of UPC by the MNPSF may not reduce any point of failure but further increase it. Today, the Authority only has to check the time of generation and delivery of UPC by Donor Operator, however, in the proposed arrangement, the time of generation and delivery will have to be monitored in both the MNPSFs' and DO's network. Therefore, we believe that the Authority should retain the current process instead of complicating it.

We humbly submit to TRAI that in order to eliminate the concerns around delay or non-generation of UPC, the Authority should include this as one of the QoS parameters to be periodically monitored.

Q4. How can KYC information available with DO be verified during the MNP process to avoid fraudulent porting? Please elaborate.

Airtel's Response:

The issue of verification of KYC process was deliberated at length during the year 2009-2010, when the original MNP regulation was being framed and it was felt that the KYC validation by Donor Operator will become a major challenge as it may open an opportunity for the Donor Operator to reject the porting requests on frivolous grounds.

After a detailed deliberation, the concept of UPC was adopted. The UPC goes with an underline theme that the person who has access to UPC (like OTP) is the rightful owner of the Mobile Number. In fact, DoT adopted the same concept in the eKYC-based re-verification guidelines and allowed re-verification/change of KYC on the basis of OTP received by the subscribers.

The fraudulent porting can happen only under the following circumstances: -

- (i) UPC is known to other person: UPC, like OTP, is a confidential information and the customer should not share it with anyone. The fraudulent porting can happen if the UPC is known to the other person. Various steps can be taken to ensure that the other person does not get the UPC or is not able to use it in any way. Some of these steps are laid out as follows:
 - a. **Customer education-** Like OTP, the customer needs to be educated about not sharing the UPC with anyone except with the recipient operator at the time of acquiring the new SIM from the recipient operator.

- b. **Time delay**- DO shall send an SMS every day during the validity period of the UPC so that the customer is notified if someone else has generated UPC from their phone. DO should have a well-defined process for addressing the complaints of the users in case of such fraudulent UPC generations.
- (ii) Wrong/No Validation by DO: UPC validation by DO is equivalent to KYC validation, and therefore, is required to be done through a robust and automated process. TRAI should build a QoS parameter on the efficacy of the UPC validation process. The DO validation process should ensure a stringent and full-proof way to curb fraudulent porting and also ensure that the same is not misused for wrongful rejection of the porting by the DO.

KYC information, unlike UPC/ OTP, cannot be validated online and has to be done manually. Due to subjectivity involved in the manual process, if DO is assigned the job, then they may reject even the genuine cases on frivolous grounds and if RO is assigned this job, they will accept every case in their business interest. While rejection of the right KYC by DO will be anti-competitive, acceptance of wrong KYC will result in fraudulent porting, which will not only cause customer inconvenience but might also result in huge security issues. The proposal of assigning this job to MNPS P will be ineffective as they will neither have the old KYC nor the new KYC details and will be dependent on both DO and RO for any such validation.

The UPC as a surrogate of KYC validation has worked well in last 8 years and has seen only a miniscule number of fraudulent porting; even those cases got resolved in a timely manner with the collaborative efforts of the operators & TRAI. With stricter UPC validation and customer education as suggested above, the fraudulent porting cases can be further reduced and brought down to almost zero.

Q5. What are the challenges in implementing the proposed MNP processes/ framework on the part of stakeholders' viz. TSP (as DO and RO) and MNPS P? Elaborate your answer highlighting the risk involved in hacking of system and misuse of information.

Airtel's Response:

Today, TSPs are solely responsible for the KYC details of the customer. Any regulatory mandate allowing MNPS P to pull KYC data from the servers of the TSP will adversely impact the privacy of the customer's data. Further, the customer details can be highly

sensitive from business perspective as well. Giving access of complete customer information to MNPSP, or any other Operator or Company, would be a huge business risk for any entity. Therefore, the systems cannot be opened to any other company even if that company is a licensed entity from the Government of India. No organization would like to risk their whole business for a purpose which can be served through other safer means.

Therefore, we would like to humbly suggest that the authority should not propose any process, which puts the whole business of any operator at risk. Allowing access to IT systems containing commercially sensitive information to any other organization would entail a potential risk of hacking or misuse of information.

KYC information apart from being highly sensitive for any business is also sensitive for national security, hence, the system containing the KYC information cannot be opened for any other organization.

Q6. Whether MNPSP should be compensated towards the cost of generation and delivery of UPC to the subscriber through SMS? If yes, what mechanism can be adopted?

Airtel's Response:

Since we are recommending to continue the existing process of UPC generation, which is with DO, there is no requirement of a response for this question.

Q7. What would be the appropriate mechanism to reinforce the accountability and role of MNPSP in the proposed scenario?

&

Q8. What could be the mandatory obligations on part of the MNPSP?

Airtel's Response:

We have already explained the reasons why the proposed process should not be adopted.

Notwithstanding the above, the following steps are proposed to reinforce the accountability of MNPSPs in the current MNP process, including but not limited to,

smooth function of the porting process, prevention of fraudulent porting, resolution of customer complaints, etc.

- Real-time report and Information should be available to all operators
- Front end GUI for Call Centers
- Regular audits of IT systems of MNPSP by RO and DO in addition to TRAI and DoT
- Dedicated Customer Redressal desk for all operators
- Re-queue process should be in place for any issues
- Complaint management or Desk should be available in case the customer is unable to generate UPC
- BCP should be available
- SLA has to be agreed between the RO/DO and MNPSP

In case there are any lapses on the part of MNPSP, the same would attract appropriate penalties.

Q9. In the event of large scale disruption or sudden shutdown of network, what could be the appropriate alternative mechanism to ensure delivery of UPC and completion of porting process?

Airtel's Response:

As explained above, the concept of UPC is an integral part of MNP process to prevent any fraudulent porting. It is required by the Recipient Operator to establish the authenticity of the customer. In case of major failure/shutdown of the network, there can be following circumstances:-

1). Donor Operator has planned shutdown of the network but can generate and validate UPC:

In such a scenario, the donor operator should generate UPCs in bulk and send to all customers on daily basis with a message to use that UPC and port out to any other network. Since the operator at that point of time is continuing with UPC validation desk/system, the porting would be like a normal process and no such situation of fraudulent porting or customer inconvenience would arise.

2). Donor Operator is about to shut down the network and desk/system to validate it:

The Donor operator who is shutting down its services, should suo-motto generate the UPCs in bulk and send it to all its customers. It should also handover the same to both the MNPSPs under intimation to authority.

The two MNPSPs, should play the role of DO for validation of the UPC in the respective geographies. It shall be the responsibility of MNPSP to ensure that the UPC is properly validated in order to prevent any fraudulent porting.

3). Donor Operator has shut down the network- no mechanism to generate or validate the UPC:

In such scenario, the Donor Operator should handover the complete KYC data along with SIM numbers to the respective MNPSP under intimation to authority. Since the Donor Operator's network is not operational and the UPCs cannot be delivered through SMS, MNPSP should generate the UPC. Subsequently, MNPSP should create a website or an application through which the customer can receive the UPC post validating his/her credentials. Since the SIM number and other KYC details have been already handed over by DO to MNPSP, MNPSP can utilize that information to verify the customer's credentials before providing them the UPC.

Once the UPC is provided by the MNPSP, the customer can use that UPC while applying for a new connection with RO, who in-turn, will seek validation of UPC from MNPSP instead of DO as done in the existing process.

By following the above steps, the crisis around UPC, which happened in some recent cases of shutdown can be completely avoided.

Q10. (a) Do you agree with the process for transfer of the prepaid balance to the subscriber's account as described in the consultation paper? What changes do you envisage in licensing/ regulatory framework to enable the provision? Please elaborate your answer.

(b) If the above process is not agreeable, please suggest alternate mechanism.

and

Q11. What should be the regulatory requirements to monitor efficacy of the provision of transferring the unspent pre-paid balance? Please elaborate your answer.

Airtel's Response:

At the outset, we would like to submit that **the proposed transfer of the prepaid balance from DO to RO** suffers from lack of clarity. At present, the unspent balance of a pre-paid subscriber may be in the form of talk time or the balance validity of STV, Combo or bundled offers. The use of the term talk-time gives an impression that Authority is only

contemplating the transfer of balance talk time in customer's pre-paid wallet instead of the un-spent balance of the customer in any form i.e. talk time or bundles/STV/Combo etc.

Each operator has a different implementation of their tariff schemes ranging from talk-time to bundled offers. Some operators, such as a new operator in the market, may not be maintaining talk-time but retaining all balance in the form of bundles or STV/Combos. In such cases, the determining the transferable amount would be very subjective and lead to disputes. On the other hand, transfer of only the talk-time will result in a serious issue of level playing field wherein the operator offering only bundles/STV/Combo will not be required to transfer the amount, while the operator offering Top-up vouchers for the talk-time will have to transfer the balance.

Notwithstanding the above, such process can be implemented only through a fully automated system, which shall require the integration of the IN and Billing system of all operators. Such integration of IT systems, that too when each operator has installed a completely different IT system, will not only be a technical nightmare but an extremely costly process. There is no apparent benefit which would be achieved by mandating the balance transfer. On the contrary, it would be subject to varying interpretations by the customers, and therefore, would result in significant increase in the consumer complaints.

Therefore, we humbly request the Authority to not mandate such transfer as:

- **The proposed regime will lead to distortion of the level playing field; and**
- **Would lead to disputes, customer complaints and a huge cost of implementing the system level changes without any significant benefit to customers.**

Q12. In the proposed scenario of reduced MNP timelines, should the validity of the UPC be reviewed? If yes, what should be the period of validity of UPC? Please elaborate your answer with justification.

Airtel's Response:

UPC, like OTP, is only a verification mechanism to avoid any fraudulent porting and does not play any role in the actual MNP process. The UPC validity period is majorly the time period from generation of UPC by the customer until he decides to approach any Recipient Operator with his/her application for porting. Therefore, this time should be sufficient for any customer to decide upon a recipient operator and utilize his porting request without worrying about its expiry. Any reduction in the validity of UPC will be not be user friendly and may force them to generate UPC again, loading the systems unnecessarily. Therefore, we believe that the UPC should remain valid for at least 2 weeks.

Notwithstanding the validity period of UPC, which does not affect the porting period, we believe that the porting process should be revised in such a manner that it is completed within 48 hours (24 hour retention period + 24 hour porting process). Having said that, we would also like to submit that the existing timelines for the MNP process were on account of clearances from LEA's perspective. Any proposal for reducing the MNP timelines would require the involvement of all stakeholders.

Further, during the Intra-circle- Inter-operator porting (local porting), LEAs clearance may be required. On the other hand, in case of Inter-circle- Intra-operator (National porting) e.g. Airtel Mumbai to Airtel Delhi, the LEA clearance may not be required. Therefore, the porting can be initiated immediately and completed within 24 hours.

Q13. Whether it would be appropriate to review the existing structure of UPC? Please elaborate your answer with justification.

and

Q14. If you agree to above, does the proposed structure as discussed above adequately serve the purpose or would you suggest any other mechanism? Please elaborate your answer with justification.

Airtel's Response:

As explained in the question number 4 above, the purpose of UPC to act as an OTP was a surrogate to transfer of KYC information. The purpose of UPC is not to inform the MNPS or recipient operator about the tariff plan or changing scheme offered by the donor operator to their customers. Further, any OTP should not be predictive in any manner.

Therefore, we suggest that the UPC format should be oblivious to the kind of tariff plan or business relationship between the customer and DO.

Q15. Should the provision of withdrawal of porting request be done away with in the revised MNP process? Please state your answer with justification.

Airtel's Response:

The MNP regulation and process is laid out for the sole purpose of providing the freedom of choice to the customer of selecting their TSP while retaining their number. Therefore, any provision regarding the withdrawal of porting request should be viewed essentially from the angle of customer's right to reconsider his decision within 24 hours rather than looking at it from a narrow lens of DO/RO. The option of withdrawal of porting request by the customer within 24 hours is equally important as the choice of the customer to go ahead with porting.

The relationship between the customer and operator is based on mutual appreciation on day-to-day basis. During the customer life cycle, there are many instances when the customer is not satisfied with the response or service provided by the Donor Operator and he/she applies for porting at spur of the moment. But when the corrective measure is taken by the Donor Operator by resolving the problem being faced by the customer, he/she may decide to continue with the services of their existing operator.

Withdrawing this facility would not only deny the customer the option to re-consider his decision within 24 hours, but will also deny the Donor Operator their legitimate right to retain their customers by addressing their grievance.

It should be noted that a period of 24 hours, as prescribed in the present regulation, for retention exercises by DO has worked very well during the last 8 years. **Withdrawing this facility would make the operator-customer relation very brittle and fragile.**

However, to address some cases of misuse as mentioned in the consultation paper, a robust process can be adopted to ensure that the cancellation request sent by customer to the recipient operator is acted upon. For this purpose, we had proposed an SMS-based withdrawal of the porting requests, which is customer-friendly, transparent, easy to implement, verifiable, instant and auditable. Further, this will end all disputes regarding authenticity of withdrawal request sent to the recipient operator.

Therefore, we sincerely request the Authority for continuation of the 24-hour window allowing the customer to reconsider and withdraw their porting request.

Q16. What additional changes do you envisage in the MNP regulations? Elaborate your suggestions.

The regulation should clarify the validity period of UPC. In our view, if the validity of UPC is 15 days, then this period should be counted from the day of generation of UPC till the date on which the request for UPC validation is forwarded by RO to DO via MNPSP. If the UPC is invalid or not matching, then the rejection should happen in no time in a completely automated way, say within 8 hours.

After passage of 8 hours, DO should not be allowed to reject porting on the ground of UPC mismatch or validity post MNP wait period. All such delayed rejections should be monitored as Quality of Service (QoS) parameters.

Q17. Due to the difficulty envisaged, should the subscriber be allowed to reconnect his mobile number even after number return process is initiated? If yes, what could be the criteria? Please elaborate suitable method.

Airtel's Response:

TRAI has rightly pointed out the significance of mobile number in today's date. The Mobile number has practically become the virtual identity of a person for all practical purposes and losing one's mobile number can have serious personal and financial implications. At times, the customer may genuinely be constrained to make the outstanding payments but the existing MNP regulation mandates that once a ported-in number gets disconnected due to non-payment dues (NPD) or any other reason, the RO cannot reactivate the number, as well as, is required to return that number to the Original Number Range Holder (ONRH) after 60 days from the date of such disconnection. Thus, if the subscriber wants to reactivate that number, it can only happen only through the DO after 60 days from the disconnection from the RO. This issue gets aggravated when the ONRH has shut down the operations and the MSC code to which that number belongs has not been allocated to any existing operator by the DoT.

With respect to the above, we would like to suggest the following:-

- a) The RO should be allowed to reconnect the number which is disconnected as many times as it does for its own number series till the date it is to be returned to ONRH.
- b) Instead of 60 days, the RO should be allowed to retain the number for 6 months, post which, it can be returned to ONRH. It can be safely assumed that if the number

is not working for 6 months, it would not be required as an identity credential or for financial transactions.

Q18. Should the MNPSPs be allowed to charge for the ancillary services such as number return and bulk database download by TSPs? Please provide your comments with justifications.

Airtel's Response:

The MNPSP should not be allowed to charge for the ancillary services as the proposed structure envisages a similar form of information gathering, which is being followed in the current MNP process. TRAI in its recent amendment, related to per port transaction charge, revised it from INR 19 to INR 4. The revision in rates was carried out only after comparing the cost and volumes of transactions involved and if TRAI had considered the porting transaction numbers for FY 17-18, the Per Port Transaction charges would have been reduced further.

It is understood that the total cost of MNPSP used for calculating per port transaction charge already have an element of such ancillary services and considering the fact that the present per port charge is much higher than the present cost of MNPSP, they should not be allowed to charge additionally for any service.

Q19. Would the new technologies, such as block chain, be helpful for facilitating faster and transparent MNP process? What can be the possible advantages and challenges? Please elaborate.

Airtel's Response:

Block chain technology is still in its nascent stages, so it would be too early to comment upon its use in the MNP process.

Q20. If there are any other issue(s) relevant to the subject, stakeholders are requested to offer comments along with explanation and justifications.

Airtel's Response:

- Generation and delivery of UPC should be treated as one of the QoS parameters for Donor Operator and should be periodically monitored by the Authority. Timely generation of UPC by the DO shall be validated as a part of periodic audits so as to ensure that this happens in a prescribed manner.
- Inter Circle, Intra-operator migration should not have a mandatory wait period like inter-operator MNP and should be allowed to complete within 24 hours.
- SMS sent to “1900” for generation of UPC should be made free. This should be allowed even if the phone has zero balance or its outgoing services are blocked.
- SMS sent to “1900” should be allowed under all tariff plans.
- TSPs should be allowed to use alternate methods for generation of UPC such as App, Web-site, etc. after due verification.

We request the authority to kindly consider our points while making any amendments to the MNP regulation.