



सत्यमेव जयते

**Department of Telecommunications
Ministry of Communications
Government of India
New Delhi**

Quarterly Newsletter (October – December 2018)

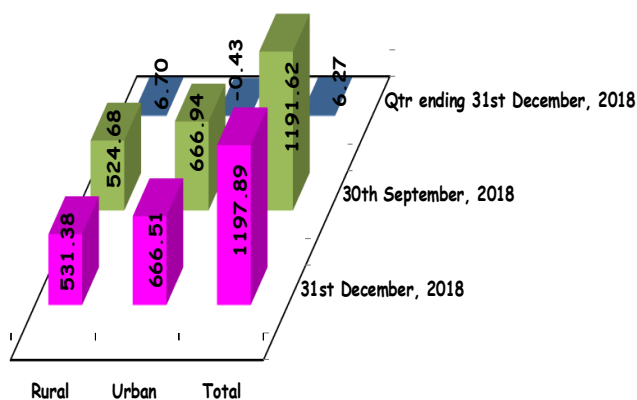


Highlights of major developments in the Telecom sector as well as initiatives by the DoT, during the quarter ending **October-December, 2018**, are given in the following sections.

I. TELEPHONE CONNECTIONS AND TELEDENSITY

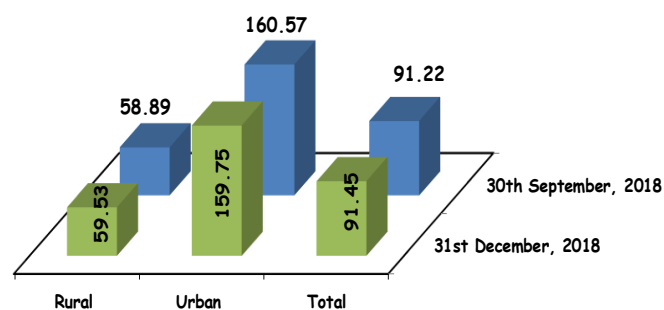
- (i) The number of telephones stood at 1197.89 million as on 31st December, 2018 from 1191.62 million on 30th September, 2018. This implies an increase of 6.27 million during the period, attributed to an increase in number of telephones in the private sector by 5.37 million during the period.

Telephones



The tele-density, which was 91.22% in the beginning of the quarter increased to 91.45% by the end of the December 2018.

Tele-density



- (ii) The preference for use of wireless is reflected in the share of wireless phones, which reached 98.17% (1176.02 million) as on 31st December, 2018. On the other hand, the share of wire line was 1.83% (21.87 million) as on 31st December, 2018.
- (iii) In public sector, there was a slight increase of 0.90 million phones during the quarter ending December, 2019. However, in private sector there was an increase of 5.38 million phones during the same period. The public sector had 132.58 million (11.07%) phones as against 1065.31 million (88.93%) phones of the private sector as on 31st December, 2018.
- (iv) As on 31st December, 2018, the share of urban was 55.64% (666.51 million) compared to 44.36% (531.38 million) of rural areas. The rural tele-density stands at 59.53% as compared to the urban tele-density of 159.75% as on 31st December, 2018.

II. INTERNET PENETRATION

- (i) Internet usage in the country is on a steady growth path. The number of Internet subscribers (both broadband and narrowband put together) which was 429.25 million at the end of September'17 has increased to 560.01 million by the end of September, 2018, registering a quarterly growth of 9.32%.
- (ii) The number of subscribers accessing internet via wireless phones etc. was 538.76 million and there were 21.25 million wired internet subscribers at the end of September, 2018. Wireless internet subscribers constitute 96.21% of the total internet subscribers.
- (iii) The number of Broadband subscribers, which was 481.70 million at the end of 30th September'18, increased to 518.55 million as on 31st December '18 with an increase of 36.85 million.

III. ACTIVITIES OF DoT (October - December, 2018)

(i) Training Activities of NTIPRIT

- Foundation Course for ITS-2014, P&T BWS-2013 and P&T BWS-2015 Batch Officer Trainees at HIPA Gurugram Haryana:

As part of Induction Training, 15 Officer Trainees of ITS-2014, 1 Officer Trainee of P&T BWS-2013 and 1 Officer Trainee of P&T BWS-2015 batch, already posted in different units of Department of Telecommunications, were called back to attend 15 weeks Foundation Course at HIPA, Gurugram, Haryana. The Foundation Course was inaugurated on 17.12.2018 by Sh. Anil Kumar Sanghi, Sr. DDG, NTIPRIT, Ghaziabad and Dr. G. Prasanna Kumar, Director General, HIPA, Gurugram.



Photograph of ITS-2014 , P&T BWS-2013 and P&T BWS-2015 Batch Officer Trainees with faculties of NTIPRIT and HIPA on Inaugural Day of Foundation course at HIPA, Gurugram.

- **Joining of JTO-2016 (RL) batch for 30 Weeks Induction Training at NTIPRIT**

NTIPRIT has commenced Induction Training for a new batch of JTO Trainees on 03-12-2018. Two Probationer Trainees have joined NTIPRIT for the Induction Training. After Administrative and Establishment modules, they will get exposure on different telecom technologies.



Interaction of JTO Probationers with NTIPRIT faculties

- **In-service training courses for DoT Officers were conducted at NTIPRIT on the following Topics**

- Two days' In-Service course on Role of Telecom in Disaster Management was conducted at NTIPRIT. During the course the experts from government organizations were invited to deliver the lectures and share the experiences in the Disaster Management domain. 11 Officers from various LSAs had attended the course.
- Two days' In-Service course on Trends in Telecom Licensing was conducted at NTIPRIT. During the course the experts from DoT and TRAI were invited to deliver the lectures in Telecom Licensing trends. 13 Officers from various LSAs had attended the course.



In-service course on Trends in Telecom Licensing

- Induction Training of the following batches of Officer Trainees of ITS/BWS probationers was conducted during the period:
 - ITS-2015 batch (33 officers)
 - ITS-2016 batch (34 officers)
 - BWS-2015 batch (1 officer)
 - BWS-2016 batch (3 officers)
 - BWS-2017 batch (2 Officers)
 - JTO-2016(RL) Batch (2 officers)

Various training programs like technical modules and DoT attachment, TEC attachment, BSNL / MTNL attachments and Field Attachment (Stage –II) for ITS / BWS batches and classroom training for JTO batch, were conducted during this period as per respective training calenders.

- (ii) During SwachhataHiSeva Campaign (15th September-2nd October 2018), a Nukkad Natak was played by staff of DoT, India at Patel Chowk ,New Delhi.



- (iii) Foundation stone of submarine optical fibre cable connectivity between Chennai and A & N Islands was laid on 30th December 2018. Three Commemorative Stamps & First Day Cover released by Hon'ble Prime Minister on the occasion.



- (iv) CEO, NITI Aayog and Secretary, DoT inaugurated a Conference on "Digital Infrastructure for Transforming India" in New Delhi on 6th December 2018. The event was organised by Broadband India Forum.



- (v) Hon'ble MOSC (I/C) inaugurated the new corporate office of Bharat Broadband Nigam Limited (BBNL) in East Kidwai Nagar, New Delhi on 15th October 2018. Secretary, DoT, CMD, BBNL & Administrator USOF were also present during the occasion.



- (vi) The **India Mobile Congress -2018** was held at Aerocity, New Delhi during 25-27th October 2018. Hon'ble MOSC(I/C) inaugurated the event. The National Frequency Allocation Plan 2018 (NFAP) was unveiled during the inaugural session.



(vii) **MAJOR ACHIEVEMENTS, ACTIVITIES AND PERFORMANCE OF TRAI**

Under the TRAI Act, 1997, TRAI is mandated, inter-alia, to ensure compliance of the terms and conditions of license, lay down the standards of quality of service to be provided by the service providers and ensure the quality of service, specify tariff policy and recommend conditions for entry of new service providers as well as terms and conditions of license to a service provider. TRAI's scope of work also includes consideration and decisions on issues relating to monitoring of tariff policy, commercial and technical aspects of interconnection, principles of call routing and call handover, free choice and equal ease of access for the public to different service providers, resolution of conflicts that may arise due to market developments and diverse network structures for various telecom services, need for up-gradation of the existing network and systems, and development of forums for interaction amongst service providers and interaction of the Authority with consumer organizations. The Authority initiated various measures to promote the growth and development of the telecom and broadcasting sectors during the third quarter of financial year 2018-19 i.e. October-December 2018.

During October-December 2018, the Authority, in discharge of its functions assigned under the Telecom Regulatory Authority of India Act, 1997, has made Recommendations, Regulations and Directions which are discussed in the following paragraphs:

A. RECOMMENDATIONS

- **TRAI's response dated 21st December 2018 to DoT back reference dated 31st August 2018 on Recommendations on "Introduction of UL (VNO) for Access Service authorization for category 'B' license with districts of a State as a service area"**

Department of Telecommunications (DoT) through letter dated 31st August, 2018 communicated to TRAI that: -

Telecom Commission (TC) has agreed with the requirement to submit Service Level Agreement (SLA) to Licensor / TRAI. Accordingly, TRAI is asked to design & prescribe a model SLA framework in this regard.

In this regard, the TRAI has made its view that respective Quality of Service parameters/ benchmarks prescribed for parent NSO (TSP) should be equally applicable on UL (VNO) licensees too. In order to comply with Clause 28 of UL (VNO) license and to enforce & ensure the prescribed QoS parameters, the VNO licensee may include service level agreement as part of their commercial agreement with parent NSO. However, instead of prescribing template SLA, it may be left to their mutual commercial agreement.

After analysing the issues, the TRAI sent its response to the back reference on 21st December 2018. A copy of the response sent to DoT is available on TRAI website www.trai.gov.in

- **Recommendations dated 27th December 2018 on "Methodology for levy of Spectrum Charges for provision of Satellite based Services using Gateway installed in India under 'sui-generis' category"**

Department of Telecommunications (DoT) vide its letter dated 13th August, 2018, requested TRAI to provide Recommendations on methodology for levy of Spectrum Charges for provision of Satellite based Services using Gateway installed in India under 'sui-generis' category.

Based on the consultation process and internal analysis, the Authority finalized its Recommendations on 27th December 2018 on "Methodology for levy of Spectrum Charges for provision of Satellite based Services using Gateway installed in India under 'sui-generis' category". The salient features of the recommendations are as follows:

- (a) The formula based spectrum charges should be replaced with AGR based spectrum charges in respect of provision of services by BSNL under its license for 'Provision and Operation of Satellite based services using Gateway installed in India' under 'sui-generis' category. These charges would cover the entire spectrum charges for handsets as well as for gateway.
- (b) The spectrum charges should be levied at 1% of the AGR of BSNL's satellite based services under 'sui-generis' category.
- (c) While determining the AGR for the purpose of levy of license fee and Spectrum Charges, the cost of handsets (which is separately identifiable) should be allowed as deduction from the Gross revenue of BSNL's Satellite based services under 'sui-generis' category.
- (d) There should be a defined time-line not exceeding 30 days within which an Import Licence should be granted and the same should be declared in the portal as well as in the Citizen's Charter.

- (e) DoT may review whether roaming service can be allowed for GSP service customers in a similar way in which mobile roaming is permitted.
- (f) DoT may review the need to restrict the GSP Service in certain (barred) areas, consequent to the establishment of Gateway by BSNL.

The recommendations have been placed on TRAI's website www.traai.gov.in.

B. REGULATIONS

➤ **Telecommunication Mobile Number Portability (Seventh Amendment) Regulations 2018 dated 13th December 2018**

The Authority issued the Telecommunication Mobile Number Portability (MNP) Regulations 2009 dated 23rd September 2009 laying down the basic business process framework for implementation of MNP in the country. In a continuous endeavour to make MNP process more subscriber friendly, TRAI has issued various Directions and amendments to the MNP regulations and devised mechanism for reducing the rejections on the grounds of “Unique Porting Code (UPC) Mismatch” and expiry, the Authority initiated draft Telecommunications Mobile Number Portability (seventh amendment), Regulations 2017, on 16th August, 2017 for seeking comments of the stakeholders. The comments received from the stakeholders were examined and analysed. Through the comments, it was observed that in addition to the amendments as proposed in the draft MNP regulations (seventh amendment) as mentioned above, various other issues were also raised by stakeholders and new mechanisms were suggested.

Pursuant to the suggestions/ comments submitted by the stakeholders during consultation on draft 7th amendment, the Authority on 6th April, 2018, further initiated a Consultation Paper (CP) on ‘Review of the Mobile Number Portability (MNP) process’.

Through these regulations (amendment), a major shift in the mechanism for generating Unique Porting Code (UPC) has been provisioned.

In the final regulation (amendment), porting timeline of 2 working days has been provisioned for the requests of Intra-Licensed Service Area (Intra-LSA) numbers except the requests made under corporate category and the timelines of 4 working days has been provisioned for all the porting requests of Inter-Licensed Service Area (Inter-LSA) numbers and corporate category. Besides above, other major changes have been incorporated such as the validity of UPC has been kept 4 days in place of 15 days earlier for all LSAs except for the LSAs of Jammu & Kashmir, Assam and North East for which the validity of UPC remains unchanged. Process for withdrawal of porting requests has been made simpler and quicker through SMS. For the cases of corporate porting, present limit of 50 numbers in single authorization letter has been enhanced to 100 numbers per authorization letter. Provisions for the Financial Disincentives have been broadened upon contravention of the provisions of MNP Regulations. Post implementation of this regulation (amendment), appropriate Quality of Service (QoS) parameters will be devised by the Authority to monitor the role of MNPSs and Access Providers in the new scenario.

➤ **The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges (Amendment) Regulations, 2018 dated 28th November 2018**

TRAI issued “The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges (Amendment) Regulations, 2018”.

Access Facilitation Charges (AFC) are the charges, which are payable by International Long Distance Operators (ILDO)/ Internet Service Providers (ISP) to the owner of the cable landing station to access the acquired international bandwidth in a submarine cable. Submarine cables provide vital international telecommunication links between countries across the world. Submarine cables terminate in the country through cable landing stations. TRAI had issued The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges Regulations, 2012 on 21st December 2012. The AFC Charges and Co-location Charges specified in the Regulations dated 21st December 2012 were to be effective from 1st January 2013. However, it was challenged in the Hon’ble Madras High court by two of the Owners of Cable Landing Station (OCLS). The Single Judge Bench of the Hon’ble Madras High Court on 11th November 2016 had dismissed the writ petitions. But, appeals were filed by these two OCLS before a Division Bench of the Hon’ble Madras High Court. The Hon’ble Division Bench of Madras High Court vide its final Judgment and order dated 2nd July 2018 had quashed the Schedules I, II and III of ‘The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-location Charges Regulations, 2012 dated 21st December 2012’ and has directed that TRAI shall redo and re-enact the aforesaid schedules.

Subsequently, TRAI has filed Special Leave Petition in the Hon’ble Supreme Court against the judgment of the Division Bench of Hon’ble Madras High Court. Similar, Special Leave Petitions were also filed by other stakeholders in the Hon’ble Supreme Court. The Hon’ble Supreme Court vide its Order dated 8th October 2018 had requested the Authority to re-work the figures on both counts within a period of six week. The both counts are ‘Utilization factor’ and ‘Conversion factor’ which were used for estimation of the Access Facilitation Charges. Accordingly, to seek the views of the stakeholders the Authority issued a Consultation Paper on “Estimation of Access Facilitation Charges and Co-location Charges at Cable Landing Stations” on 18th October 2018. An Open House Discussion on the same was also held on 5th November 2018.

After taking into consideration the Comments, Counter Comments and Additional Comments received from stakeholders and analysis of other relevant facts, the Authority has decided to take the ‘Utilisation Factor’ of 70% and ‘Conversion Factor’ of 2.6, wherever applicable. Accordingly, the Schedules I, II and III of the principal regulations have been re-worked and the charges are being prescribed. The Authority has, accordingly, notified “The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges (Amendment) Regulations, 2018” on 28th November 2018.

- **Corrigendum to The Telecom Commercial Communication Customer Preference Regulation, 2018 dated 21st December 2018**
Vide this corrigendum the serial numbers of some clauses are corrected.
- **The Telecom Commercial Communication Customer Preference (Amendment) Regulation, 2018 dated 21st December 2018**

TRAI on 21st December 2018 notified the Telecom Commercial Communication Customer Preference Regulation (Amendment), 2018 to modified the time period for implementation for regulation 23, 24, 26, 27, 29 and sub-regulation 1 to 6 of regulation 25.

C. DIRECTIONS

- Direction dated 18th October 2018 issued to all Service Providers on provision of Interconnection

TRAI had earlier issued Direction No.409-9/2005-FN dated 7th June, 2005 and its corrigendum No.409-9/2005-FN dated 28th July, 2005, in order to ensure compliance of terms and conditions of license and effective interconnection between service providers and to protect consumer interest. Through this Direction, TRAI directed all service providers to provide interconnection on the request of the interconnection seeker within 90 days of the applicable payments made by the interconnection seeker.

Thereafter, with the issue of “The Telecommunication Interconnection Regulation, 2018” dated 1st January 2018 and “The Telecommunication Interconnection (Amendment) Regulations, 2018” dated 5th July 2018, the framework for provisioning of ports has been revised from 90 days of the applicable payment made by the interconnection seeker to 42 working days, upon receipt of the request of ports from interconnection seekers, to ensure provisioning of ports for initial interconnection and augmentation of ports at POIs.

In view of issue of TRAI’s regulations mentioned at Para 2 above, the Authority has issued Direction No.6-6/2017-BB&PA dated 18th October 2018, through which it has withdrawn its earlier Direction dated 7th June 2005.

- Direction dated 4th December 2018 issued to all Access Service Providers on providing Telephone Bills to Persons with Disabilities as ICT Accessible

TRAI issued a recommendation dated 9th July 2018 to the Government of India on “Making ICT Accessible for Persons with Disabilities”. The Authority in its recommendation, inter-alia, underlined the need for Service Providers to provide telephone, mobile, broadband and DTH bills to Persons with Disabilities (PwD) in accessible form based on their choice e.g., for the persons with low vision, telephone or mobile bills may be provided in large font size; visually impaired persons may opt to get the telephone bill in Braille script; persons with such disability may opt for electronic bill in machine readable form, etc.

The Authority highlighted the need for TSPs to seek option from the subscribers in this regard and once the specified option is obtained, the TSP may be required to send the printed bill in accessible format. The subscribers who demand bill in electronic format need to be provided the same on email ID of the subscriber in the accessible format; the Authority in its recommendation has pointed out that certain TSPs provide special tariff plans for the hearing impaired so that they pay only for messaging and not for voice calls. In addition to `text only' plans, some TSPs are also offering `text and data' plans without voice as other bundled options so that persons with hearing impairment get benefitted from tailored payment plans for mobile data services;

The Authority vide its direction dated 4th December 2018 directed Access Service

Providers to provide telephone, mobile and broadband bills to PwDs in accessible form based on the choice of PwDs.

➤ **Direction dated 13th December 2018 issued to all Unified Access Service Providers regarding specifying common text of announcement played to subscribers**

The announcements played by Telecom Service provider's networks to the subscribers are sometimes unclear or misleading and this not only confuses the user, but may also cause inconvenience such as making multiple unnecessary attempts to set up the call impacting perceived quality of the network. The Telecom Service Providers (TSPs) were asked to submit inputs regarding present practice adopted by them to play announcement from its networks to the subscribers and based on the inputs provided by TSPs, analysis of announcements played in different networks and different circles were carried out by the Authority. After analyzing the issues of announcements played by TSPs, Authority has identified 16 events of announcement, in consensus with other TSPs, where common texts for announcement across all Service Providers are needed in order to avoid subscriber inconvenience.

TRAI vide its direction dated 13th December 2018 directed all Access Service Providers to make arrangements to have common text for announcement played by TSP's networks to subscribers for 16 identified events with effect from the 1st day of March 2019.

➤ **Direction dated 20th December 2018 issued to all Unified Access Service Providers regarding specifying common text of announcement played to subscribers**

TRAI issued a Direction on 23rd May 2018 regarding online filing of tariff offers directing all Access Service Providers to report to the Authority, all the tariffs offered to the consumers through XML API web-service with effect from 30th June 2018.

A parallel run of tariff filing was conducted w.e.f. 30th June 2018 wherein access telecom service providers were reporting the tariffs to the Authority through physical paper filing as well as through online filing and considerable time has elapsed conducting the parallel run and now the telecom service providers have built their infrastructure and are equipped with the tools for online submission of tariffs; Access service providers, while attending meetings/ deliberations with the Authority have expressed their desire to dispense off with the physical filing of tariffs; The Authority initiated the process of filing tariffs in electronic form along with physical submission and to do away with the physical copy filing of tariffs entirely, albeit in a phased manner.

After considering all the aspects, the Authority decided that there shall not be any requirement of filing physical copy of tariffs and the same shall not be considered for the purpose of tariff filing except for ISD tariffs and International Roaming tariffs, electronic filing of which will be enabled in next phase. TRAI directed all the Telecom Access Service Providers to file tariffs online w.e.f. 1st January 2019; to comply with the reporting requirement as per clause 7 of the Telecommunication Tariff Order, 1999 while filing tariffs through online mode.
