

F.No.: 10-6/2016-BB&PA

Minutes of meeting held with M/s Reliance Jio Infocom Ltd., M/s Bharti Airtel Ltd., M/s Idea Cellular Ltd. and M/s Vodafone India Ltd. on 09.09.2016 regarding augmentation of POIs

1. A meeting chaired by Secretary was held with the representatives of M/s Reliance Jio Infocom Ltd. (**RJIL**), M/s Bharti Airtel Ltd. (**Bharti**), M/s Idea Cellular Ltd. (**IDEA**) and M/s Vodafone India Ltd. (**Vodafone**) on 09.09.2016 at 12.00 PM on the issue of augmentation of POI. A list of participants in attendance is attached.
2. Secretary welcomed the representatives of all the TSPs. He stated that in the last couple of weeks, a lot of correspondence has been exchanged between RJIL and other operators on the issue of augmentation of POIs. A number of news items have also appeared in the media on this issue. Now, RJIL has launched its commercial services w.e.f. 5th September, 2016 and has also filed its tariff reports with TRAI. Then, Secretary, TRAI referred to a recent COAI letter dated 02.09.2016 wherein it was stated that the views in the letter are of majority members of COAI and views of **minority members viz. RJIL, Aircel and Telenor are not reflected in this letter.** He individually asked the representatives of Airtel, IDEA and Vodafone if they agree to what COAI has said in the referred letter on their behalf. All the three TSPs confirmed that they agree with all the letters of COAI including the letter under reference. The Secretary then mentioned that the core issue to be discussed in this meeting is that of POI augmentation to the new entrant (RJIL) who has now launched its commercial services. He requested the operators to give their views one by one.
3. Shri Mahendra Nahata from RJIL, thanked TRAI for giving the opportunity to express the views of their organization. He stated that their commercial services have been launched and tariffs have been filed with TRAI. He mentioned that RJIL has invested Rs. 1.5 lakh crore in creating an IP-network which is the only network without a circuit switched fall back (CSFB) facility. He stated that theirs is the largest network created anywhere in the world with the vision to provide quality and affordable service to the masses. Today India ranks 155th in the world in terms of internet penetration; and, RJIL's Chairman's vision is to make India in top 10. He said that when the quality of calls suffer, an Indian subscriber suffers and not an individual operator's subscriber. He mentioned that out of the total calls made on RJIL network, overall 75% calls fail; the call failure during the busy hour is as high as 85%; about 5 crore calls fail daily.

He stated that some operators, since the beginning of August, 2016, have not provided any additional POI.

4. Secretary intervened asking RJIL if 'not provided' means that demand notes have been received and money paid to the concerned service providers. Shri Mahendra Nahata (RJIL) stated they have not even been given the demand notes despite requests for the same. He stated that some vague numbers have been projected in respect of the minutes of usage (MOU) of RJIL's subscribers but as of now average MOU per subscriber per month is 485 minutes (440 outgoing minutes and 45 incoming minutes) against the industry average of about 400. He contended that calling profile of the subscribers of any new entrant would essentially be asymmetrical and the COAI's argument of lower tariff cannot be held against them for not giving POIs to them. He stated that there is no law in the country which can prevent them from offering cheap services. He cited the letter of COAI wherein POI to RJIO has been refused on these grounds. He stated that the letter of COAI in which POI augmentation has been refused infringed upon the role of the Regulator and the law of the land. He stated that RJIL's inability to provide better services and meet QoS requirements has nothing to do with their network but due to delay in POI augmentation by other operators. He requested TRAI to take a lawful and logical action on this matter.
5. Shri Ravi Gandhi from Bharti stated that as RJIL has launched its services on 5th September, 2016, its requests for augmentation of POIs made in the months of June, 2016 to August, 2016 are not relevant. He said that interconnect agreements with RJIO were signed in 2014-15 and these agreements, clearly, define how the POIs are to be given. He said that Bharti signed agreements as back as in 2008 with new operators like Aircel, Uninor, MTS etc. and none of them complained about Bharti not giving POI. He said that Bharti has always followed the interconnection agreement and will continue to do so.
6. Shri Ravi Gandhi further cited the Telecommunication Tariff (30th Amendment), 2004 dated 16.01.2004 which says that tariff plans should be consistent with regulatory principle in all respect which, *inter-alia*, includes IUC compliance, non-discrimination and non-predation. He also raised the issue of asymmetry in traffic coming from RJIL which is of the order of 90% incoming and 10% outgoing. He said that earlier when new operators launched their services, traffic asymmetry were in the range of 75% incoming and 25% outgoing. He argued that if RJIL's projection of 22 million subscribers in three months comes true then the asymmetry of 10:1 would completely overwhelm their network. He said that RJIL's demand of 4500 E1s would mean 4000

customers per E1 whereas with other operators this is in the range of 12000-13000 customers per E1. To meet the huge traffic demand of RJIO, Bharti will also have to invest in its network, and, tomorrow after RJIO's free voice offer gets over and subsequently if RJIO's subscribers stop using their services, Bharti's investment will go waste. He also stated that RJIO representatives have never held any dialogue with them. He also said that the supply of POIs is on the basis of due diligence which can start only after 5th September, 2016.

7. Sh. Rajat Mukarji from IDEA mentioned that IDEA was among the first service providers to sign interconnect agreement with RJIO in 2014 and IDEA has been providing POIs to RJIO since then. He, however, said that issues raised by RJIL in the context of social need are required to be looked into. He said that the calls are flowing free from RJIL network to their network and people are speaking for hours with no incentive to stop the call.
8. Shri Mukarji further stated that the current termination charge of 14 paise per minute is way below cost and IDEA has approached the courts of law on this matter. He argued that whatever RJIL is paying as IUC charges to IDEA is below cost and if the volume of calls continues to grow then the cost difference would continue to grow. He then said that RJIL has made a projection of achieving 100 million subscribers in a short span of time and it gives an indication of the volume that they are going to pump into their network and in turn increase the loss to them by way of paying below IUC. He said that the fundamental issue of asymmetry is also there.
9. Shri P. Balaji from Vodafone stated that from the letters received from RJIL as late as 06.09.2016, they are referring to their subscribers as test users and if that is true, the E1s that they have provided to RJIL are adequate. He said that it is quite confusing that even after launch of their services from 05.09.2016, they are referring to their users as test users. He requested that if the services have been commercially launched then the Authority may examine if the free calls offered by RJIL are in compliance to the Telecommunication Tariff (30th Amendment), 2004 because it puts an exceptional load on their network with no commensurate returns. He also raised the issue of Internet Telephony stating that the RJIL call flow of Internet Telephony is not as per the license conditions and the same has been intimated to RJIL. Shri Sandeep Kathuria from Vodafone added that they don't have any issue with RJIL on port charges and POI charges but termination charge of 14 paise per minute has been arrived by considering some level of asymmetry but not the kind of asymmetry they have with RJIL and this causes substantial loss to the terminating operators.

10. Shri Mahendra Nahata of RJIL mentioned that there has been a dialogue at COO level. He further stated that high or low level of termination charge cannot be a reason for not giving POIs and everyone has to comply with Regulation which is in vogue today. He also stated that RJIL has asked for POIs from these service providers not on the basis of projection of 100 million subscriber base but for only 22 million subscriber base and their requirement is based on 8700 subscribers per E1. He added that if these service providers do not want to give POIs on the basis of projection of 22 million subscribers, they should at least, give POIs on the basis of a projection of 10 million subscriber base.
11. The Secretary then asked RJIL representatives to state their position on Internet Telephony. In response, Shri Kapoor Guliani from RJIL stated that they are not providing Internet Telephony to their customers.
12. The Secretary then summed up the discussion stating that TRAI would not want to get into the dispute about the number of POIs which each operator should provide to RJIL and what should be the criteria for determining the requisite number of POIs. However, TRAI would like to ensure that the consumers of the TSPs should not suffer because of inadequacy of POIs. He referred to the Quality of Service Regulation of 2009 wherein benchmarks have been prescribed regarding POI congestion. As per the Regulation, the POI congestion should be less than 0.5%. It was very clearly told to all the TSPs that in case the TSPs do not comply with the above Regulation resulting into poor quality of service to the consumers, TRAI will be constrained to take action as per the Regulation against the delinquent TSPs. He also mentioned that though IUC Regulation which prescribes mobile to mobile termination charge at 14 Paise per minute has been challenged by some TSPs in courts, presently, none of the courts has stayed the said Regulation and therefore this cannot be an excuse for denying POIs to RJIL. Regarding examination of RJIL compliance to the Telecommunication Tariff (30th Amendment) Order, 2004, the Secretary assured that TRAI has noted their concerns and the same will be examined. In the end, he requested all the TSPs present in the meeting to sit down together and resolve their differences in the interests of the consumers to which all the TSPs agreed.
13. The meeting ended with vote of thanks to the chair.

**List of attendees in TRAI's meeting on 09.09.2016 at 12.00 hours
regarding augmentation of POIs**

1. Sh.Sudhir Gupta, Secretary
2. Mr. U. K. Srivastava, Pr. Advisor (NSL)
3. Shri Shailendra Kr. Mishra, Pr. Advisor (F&EA)
4. Sh. Arvind Kumar, Advisor (BB&PA)
5. Smt Vinod Kotwal, Advisor (F&EA)
6. Sh. Akhilesh Kumar Trivedi, Jt. Advisor (BB&PA)-I
7. Sh. K.V. Sebastian, Jt. Advisor (F&EA)
8. Sh. Alok Vohra, SRO (BB&PA)-I
9. Sh. Ravi P. Gandhi, CRO, Bharti Airtel
10. Sh. N.Roy, Bharti Airtel
11. Sh. Shyam Mardikar, Bharti Airtel
12. Sh. Rajat Mukarji, CCAO, Idea
13. Sh. Rahul Vats, Sr. VP-RCA, Idea
14. Sh. Mahendra Nahata, Director, Reliance Jio
15. Sh. Kapoor Singh Guliani, President (Legal), Reliance Jio
16. Sh. Anshuman Thakur, Sr. VP, Reliance Jio
17. Sh. P.K. Bhatnagar, President, Reliance Jio
18. Sh. Adawal Shanker, President, Reliance Jio
19. Sh. Thiagarajan A., Sr. VP, Reliance Jio
20. Sh. Uday Panikkar, AVP, Reliance Jio
21. Sh. Aayush Bhatnagar, VP, Reliance Jio
22. Sh. Atul Agrawal, VP, Reliance Jio
23. Sh. Mahipal Singh, VP, Reliance Jio
24. Sh. P. Balaji, Director, Vodafone
25. Sh. Sundeep Kathuria, EVP-Reg, Vodafone
26. Smt. Anjali Hans, VP- Reg, Vodafone