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Telecom Regulatory Authority of India

TRAI Releases Recommendations on 'Improving Telecom Services in Andaman & Nicobar Islands and Lakshadweep'

New Delhi, 22nd July 2014- The Telecom Regulatory Authority of India (TRAI) has today issued its recommendations on **'Improving Telecom Services in Andaman & Nicobar Islands and Lakshadweep'.**

The Department of Telecommunications (DoT) had sought TRAI's recommendations on a comprehensive plan for improving telecom services in Andaman & Nicobar Islands (ANI) and Lakshadweep and also to assess the investment required for providing quality telecommunication services in these islands.

To assess the existing telecom facilities, the gaps therein and the challenges in the development of telecom networks, a team of TRAI officers visited both ANI and Lakshadweep and held detailed consultations with the Union Territory (UT)administrations and the Telecom Service Providers (TSPs) operating in ANI and Lakshadweep Islands.

In the comprehensive telecom plan, prepared by the Authority for Improving Telecom Services in these islands, the Authority has recommended capital investment of **Rs. 2278 crore** approx. The investment comprises Rs. **1773 crore** approx. (including Rs. 1000 crore towards submarine cable project already approved by the Planning Commission) for ANI and **Rs. 505 crore** approx (including 468 crore for submarine cable) for Lakshadweep. The Authority has recommended that, apart from one-time capital investment, the DoT/UT administration should compensate the telecom operation on yearly basis as viability gap funding. It has recommended **Rs. 130 crore** (Rs. 104 crore for ANI and Rs. 26 crore for Lakshadweep) on annual basis for five years.

ANI is the largest Union Territory of India, lying in the south-eastern part of Bay of Bengal, having 572 islands scattered over an area of around 800 Kms from North to South. Lakshadweep with an area of around 32 sq Km is the smallest Union Territory of India on the west of the state of Kerala. It is a group of 36 small islands in the Arabian Sea.

Both these group of islands are strategically very important from the point of security of the country. ANI are closer to a number of foreign countries than to the Indian mainland. At the southern end, Indira Point is just 165 kms from Indonesia. In the North, the islands are just 40 kms away from Myanmar. In the East, Thailand is only 500 kms away. In contrast, its distance from the mainland (Chennai/Kolkata) is more than 1200 Km. Similarly, Minicoy Island of Lakshadweep is situated at about 130 km from the northern-most island of Maldives. In comparison, it is at a distance of 398 km from Kochi, the nearest mainland port.

ANI and Lakshadweep are also prone to natural disasters such as earthquakes and sea disturbances. The tsunami of 2004 bears testimony to the destruction of life and property caused by gigantic sea waves, especially to the Nicobar Islands.

These islands are lagging far behind in telecom infrastructure development as compared to other parts of the country due to their difficult geographic terrain. Today, out of total 396 villages in ANI, there are 204 villages which have no telecom connectivity till date. Data services such as 3G/broadband are not available even at all the District Headquarters. Presently, telecom connectivity to these islands is provided only through satellite medium. There is a practical limitation on the quantum of bandwidth that can be provided through satellite owing to the high satellite bandwidth charges. Moreover, there is a shortage of Indian satellites having footprints on these islands. The scarce availability and high cost of satellite bandwidth does not provide a commercially viable solution to the Telecom Service Providers (TSPs) to deploy state-of-the-art technologies providing high speed data services. In the absence of any alternate connectivity medium other than satellite, these islands are totally cut-off from the rest of the country in the eventuality of a breakdown in the satellite link. This is precisely what happened during the tsunami in ANI in 2004.

The Authority has put forth the following objective while formulating the telecom plan for these islands and in assessing the investment required:

- Sufficient bandwidth for broadband and e-governance services.
- 2G services in all towns/villages with population of 100 or more.
- 3G services in all DHQs/SDHQs and towns.

- Augmentation of 2G and 3G network in the towns/villages to improve coverage and traffic carrying capacity
- Extending mobile coverage to entire National Highways

To provide sufficient bandwidth for broadband and e-governance services in line with the NTP 2012 objective of 'Broadband on Demand' and ensuring equitable and inclusive development, the Authority has devised a two-pronged strategy; one aimed at providing a long-term solution through submarine cable connectivity and the other aimed at providing immediate and short-term solution through augmentation of the satellite bandwidth. It has recommended that:

- Connectivity to six major islands of ANI viz. Port Blair, Havelock, Little Andaman, Car Nicobar, Kamorta and Great Nicobar from Chennai through submarine cable must be established at the earliest possible in a single phase.
- In addition to the planned connectivity through Chennai, connectivity of ANI should also be made from Kolkata through a submarine cable. This will ensure redundancy in the submarine to ANI. Additionally, connectivity from Kolkata can be used to route traffic from the entire North-Eastern region of the country and to provide connectivity to South Asian Association for Regional Cooperation (SAARC) nations such as Nepal, Bhutan and Bangladesh. The submarine cable connecting Chennai-Portblair-Kolkata can be named as 'SAARC' cable.
- Keeping in view the strategic importance of Lakshadweep, a secure and reliable connectivity should be established through a submarine cable. This cable (936 Km long) will connect Kochi/Cochin with Kavaratti, Agatti, Andrott, Kalpini, Amini and Minicoy islands.
- Since execution of the laying submarine cable will take 18-24 months after its approval, augmentation of satellite bandwidth should be carried out as an immediate and short-term solution. Additional 284 MHz of satellite bandwidth (around 8 transponders) should be made available for telecom connectivity of ANI and Lakshadweep to cater to immediate and short-term requirements.

The Authority has also recommended some policy initiatives to facilitate telecom development in ANI and Lakshadweep. Some of them are:

- Annual satellite bandwidth hiring charges for providing telecom services in these islands should be borne by USOF completely.

- In GSAT-16, which is scheduled to be launched in 3rd quarter of 2014, at least 6 transponders of C-band may be allocated to BSNL exclusively for providing telecom services in ANI and Lakshadweep.
- BSNL should be permitted to hire satellite bandwidth directly from foreign satellites which are on the ISRO coordinated orbits.
- UT administrations should accord priority in the allotment of land and necessary permissions to BSNL/other TSPs for the establishment of any telecom infrastructure such as a tower or for laying OFC etc.

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

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