

COAI RESPONSE TO THE TRAI CONSULTATION PAPER ON BILLING ISSUES

CHAPTER 2: CHARGING FOR SMS

Q1. Should there be a charge for undelivered SMS?

Ans 1. Yes, there should be charge for the undelivered SMS. The reasons for charging the SMS are explained as follows:

1. In India Operators are only charging for originating SMS, there are no charges for SMS termination. In which case it is pertinent to mention here that when a SMS is originated it travels from the terminal equipment to the MSC of the calling party network, the MSC then submits the SMS to the SMSC for delivery of the same. It should be noticed that the network elements of the calling party from BTS to MSC to SMSC, have been utilized. Hence the operator should be paid for the network elements used.
2. Secondly when the message (SMS) is submitted to SMSC for delivery to the end subscriber, the system tries multiple times for delivery till a particular threshold is reached (varies from operator to operator but is generally more than 24 hours). Therefore actually the network utilization for the unsuccessful messages system load is substantially more.
3. As a standard GSM specification SMS works on the Store & Forward method. Since in the case of an undelivered SMS, the network elements are used repeatedly, in order to successfully deliver the SMS.
4. In most cases of non-delivery, the SMS's are not delivered due to following reasons:
 - a. The called party terminal equipment switched off.
 - b. The called party terminal equipment out of service area
 - c. The called party terminal equipment out of memory (not enough memory to receive the SMS).
 - d. Invalid number dialed by the calling party.

In any of the above cases, which are pre-dominantly the reasons for non-delivery of SMSs, the operator makes genuine repeated attempts to deliver the SMS, by virtue of which the network elements are repeatedly used, hence any waiver in the charges for undelivered SMSs would not be reasonable & fair.

**Q2. If yes, should the SMS be charged in two parts –
(i) Some amount when it is sent successfully;
(ii) Some amount when it is received successfully?**

Ans 2. No, the question of SMS to be charged in two parts doesn't arise as, explained in answer to question no.1. The network elements of the originating network, are

used, and in an event of the undelivered calls they are used repeatedly, as several attempts are made by the SMSC of the originating network to deliver the SMS. In such a case an undelivered SMS might attract more charges.

- a. There is no way to show any link between the submitted SMS and delivered SMS as these two CDRs are generated separately on the MSC as MO and MT. Hence this will create confusion to the subscriber. Also based on MSC MT CDRs, it is not possible to differentiate between normal SMS-MT and an SMS-MT generated for delivery report message.
- b. Other option is to use the SMSC CDRs, but as we all know that as per GSM standard a subscriber is open to use any smsc available. In case of subscriber using any other SMSC, then there is no way under which the delivery SMS CDRs can be captured and hence there is a direct revenue loss to the service providers. Also in roaming scenarios roaming subscribers will always use his home SMSC for which the visited network doesn't get any CDRs.
- c. In case of prepaid, since the charging happens online, system can not wait for the delivery CDRs to come for charging as by that time subscriber balance would have gone to zero. And hence will result in to direct revenue loss.

Q3. If so, how such an arrangement be technically implemented and on what basis these amounts may be determined?

Ans3. Not Applicable

CHAPTER 3: SHORT DURATION CALLS

Q1. Should short duration calls of 3-5 seconds be charged?

Ans1. Yes, the short durations calls of 3-5 seconds should be charged, for the following reasons.

- a. Once the call is initiated by the originating network, the network elements to initiate the call and to establish it successfully are utilized.
- b. As the incoming calls are free, it is observed that such short durations calls are vastly used by the subscribers to convey a short message for which 3-5 seconds are adequate, and the purpose of call is achieved. In case such calls are made free, the same would be greatly misused by a segment of mobile subscribers, resulting in heavy revenue losses to the operators.
- c. It would also be pertinent to mention that even, in case of a BSNL/ MTNL fixed line call, the charges applicable are for full 3 minutes, even if the calls is for a durations of 3-5 seconds. The same principle should thus apply to

mobile originated calls without any discrimination.

- d. More importantly, for a Mobile to PSTN Call, of such a short duration, once the call is established, the operators are liable to pay full IUC charges to BSNL.
- e. TRAI suggestion for – “ if a call is less than 3 to 5 seconds and the next call to the same number is done within a few minutes, then the operator may not charge the first call itself , is not acceptable as the same is not practically possible, as it will be difficult to implement the same in the billing system due to heavy CDR volume. Alternatively, it has to be done outside the system for passing the adjustments in the billing cycle which will take considerable time for processing

Q2. If no, what should be the duration of such calls?

Ans 2. Not applicable, as we suggest that we should charge for such calls.

CHAPTER 4: BENCHMARKING

Q.1. Do you agree with the proposed benchmarks and Code of Practice for metering and billing ? If not, what changes are proposed? Give detailed reasons.

Ans1. While in broad principle, it is felt that there should be a benchmarking system and Code of Practice in India, there are a few points that need to be highlighted in the proposed Code, given in the consultation paper.

- a. In view of the fact that there already exists a QoS benchmark that incorporates metering and billing parameters, we feel that it would be more relevant to have just a single benchmark rather than two separate benchmarks one in the QOS guidelines and another within code of practice for billing accuracy unless both are uniform and identical. Two benchmarks can be cumbersome and conflicting.
- b. With regard to point number 1 on ‘ *Information relating to Tariffs*’, it is brought to the notice of the Authority that TRAI ‘s Directive of May 24, 2004, is already being followed in this regard. Further to this Directive, the Authority has also issued its Directive dated May 02, 2005, on Publication /Advertisement of Tariffs for Consumer Information. The same is also being followed as per the format desired by TRAI.
- c. However, providing details like rounding rules, accuracy of measurement of time, etc may neither be feasible nor practical.

- d. The Authority's view on 'Provision of Service' to the customer with the written consent of the customer, everytime a change is made to the already existing service through a written consent is not feasible.
- e. When a customer subscribes to a Plan/Service, his explicit (written) consent is taken on the SEF, but for any added service like VAS, or in case of a customer wanting to migrate from a prepaid connection to a postpaid one while retaining the same number, the same is done by way of telecalling or an SMS.
- f. As stated in the Authority letter no. 305-8/2004-QoS, dated 14th June 2005, "**SMS could be used as a medium for obtaining the consent of the customer.**" Hence approaches such as tele-calling or SMS should be allowed to obtain the subscriber consent, which is an international practice.
- g. Further, with regard to Accuracy of Measurement and Reliability of Billing, the Authority needs to give details as to how the measurement mechanism has been reached, and based on what Parameters has this been decided. It is not **clear as to how the actual performance shall be measured against the targets specified. Further details are also required in terms of the exact mechanics being followed at UK to arrive at this and the system requirement if any.**
- h. Lastly, the clause on 'Warning of excessive use of services' is extremely vague. The Authority needs to clarify what is meant by 'excessive use of services' and 'reasonable time to take preventive action'. In this regard we would like to clarify that a post paid customer is well informed regarding his credit limit by way of SMS or telecalling for making the payment by the due date and sufficient time is being given to the subscribers for making the payment by the due date.

In view of the above, it is felt that the Authority needs to explain in a transparent manner the basis on which this code of conduct has been evolved.

Q2. Give your comments regarding whether we should have the regime based on self testing and reporting to the Regulator or we should follow the model using approval bodies.

Ans2. We feel that Operators should follow a regime based on self testing and reporting to the Regulator, as being followed in the case of QoS benchmarking report. Further, it may be relevant to mention that the TRAI already has in place a mechanism for reviewing the quarterly QOS performance reports of operators which includes periodical technical audits and network tests of operators. The same may be extended for the current situation.

Q.3. It is proposed that Billing Audit on the lines reported in this Consultation Paper should be continued as a regular practice. What should be the funding mechanism for such an audit?

Ans3. TRAI may conduct the billing audit once a year and the funding for such an audit must come from the government. No additional burden should be imposed on the operators.

OTHER ISSUES

Synchronization of Clock :

All MSCs should be synchronized with highly stable and accurate clock. All GMSCs are supposed to extract clock from BSNL Level 1 TAXs. Further other MSCs can extract clock from GMSCs and synchronize themselves.
