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## Top Stories of the Week

### 3G-auction courts controversy



Even before the Government invites bids, the auction for the third-generation (3G) mobile services has run into rough weather, with the Finance Ministry raising hue and cry over the procedure and the DoT denying news of any delay in the process. The Finance Ministry has apparently slammed the DoT's decision to announce 3G guidelines without consulting it, according to reports. It has accused the DoT of violating a Cabinet decision, stipulating that the two ministries would mutually finalize 3G-spectrum pricing. The Finance Ministry says that the DoT has breached protocol as it arrived at the reserve prices for 3G spectrum without consulting it, says a newspaper report. However, the Telecom Ministry today lambasted the Finance Ministry for questioning the procedure for 3G guidelines, saying that the policy announcement was made after due consultations and there was no departure from the Cabinet decision. Responding to a communication from Finance Secretary D Subbarao, Telecom Secretary Siddhartha Behura shot off a strongly worded letter, saying that it was surprising that the Finance Ministry has decided to express its reservations on procedural aspects for the 3G auction.

### GSM firms add 6.41mn new subscribers in July



The cumulative all India GSM subscriber base has now grown to 218.9mn in July, up from 212.1mn in Jun'08, a growth of about 3.21% during the month of July. Among all circles, Category B circles witnessed the highest rate of growth at nearly 3.31%. Within the Category B circles, the highest growth was recorded by the Rajasthan at 5.46% followed by U.P.(E) Circle at 3.58%. In terms of growth, Category B circles were closely followed by Category A circles, which recorded a healthy growth of 3.10% over the previous month. The AP Circle recorded the highest growth at 3.77% followed by Tamil Nadu at 3.74%. Category C circles witnessed a growth of 2.87%. Amongst the Category C circles, Bihar recorded highest growth at 4.35% followed by J&K at 3.27%. The subscribers in Metro grew by 2.24% over the previous month, with Mumbai recording the highest growth at 2.97% followed by Chennai & Delhi at 2.48%. Company wise break-up shows that Bharti Airtel, leader in the GSM space, added 2.69mn new customers last month while Vodafone Essar saw its subscriber base swell by 1.75mn new users. Idea Cellular added 10,54,141 new customers and Spice Communications customers reduced by 350620. State-run BSNL added around 0.5mn new customers last month.

## In Focus

**India to corner 20% of global WiMAX market by 2012**

The WiMAX Forum projects that more than 27.5mn Indians will be WiMAX users by 2012. Additional data from this recent WiMAX Forum study estimates that about 70% of the forecasted WiMAX subscribers by 2012 will utilize mobile and portable WiMAX devices to access broadband Internet services. The WiMAX Forum Worldwide Subscriber and User Forecast examines the progress of WiMAX service providers, equipment vendors, content developers and subscribers in regions around the world. The results reflect the accelerated growth of the WiMAX ecosystem, the acceptance of WiMAX technology and demand form mobile Internet services across the world. The forecast is based on results of an independently commissioned research study published this year. [Read More...](#)

## Stock in Momentum

**Telecom Sector: Gainer**

Company Name	16-Aug-08	11-Aug-08	% Change
Rcom	455	424	-6.8
Tata Teleservices	29	28	-5.5
Tata Comm	451	427	-5.3
Idea Cellular	89	86	-3.5



### 3G auction must for CDMA cos too: TRAI

Telecom regulator TRAI has said that the government's decision to allot third generation (3G) spectrum to CDMA players without an auction is against the principles of equality, according to the reports. This is because the policy gives CDMA operators 'one' slot in the 800 MHz band, the most efficient and cost-effective frequency for CDMA players to offer high-end services with a rider that the largest operator in a circle would get it. This means Reliance Communications, with the largest subscriber base in all circles, except Delhi and Maharashtra, will be given 3G spectrum ahead of other CDMA players Tata Teleservices, BSNL, MTNL and Shyam Telecom in the 800 MHz frequency band, the report added.

### 3G spectrum auction process to end by Sep 30: report



The Government has decided to finalise the process of auctioning the 3G mobile spectrum by September 30, according to the reports. Ahead of the 3G spectrum allocation process, the government would invite request for proposals for rolling out mobile number portability (MNP), the report stated. Recently, the government had announced guidelines for 3G spectrum and MNP, and had allowed foreign players to take part in the next generation telecom space.

### MTNL cuts broadband charges: report

MTNL has cut broadband charges by up to 50% to increase user base in New Delhi. According to reports, the public sector telecom major will offer customers high speed (2 mbps) Internet access at a monthly rental of Rs99 and 150mb of free download. Users can also opt for a monthly rental scheme of Rs149 with free download of 400 mb. These plans will be available from August 15. MTNL has also reduced the monthly rental of another tariff plan by 34% from Rs899 to Rs599 that would be available from September 1. Meanwhile, MTNL also announced the launch of Mobile TV. The service on mobile handsets is available in Delhi and the NCR for MTNL customers both on Dolphin and Trump. It will provide 20 channels at Rs99 per month.

### Idea may take Rs3.5bn hit on Spice buy: report



Idea Cellular may lose as much as Rs3.5bn if it goes ahead with its proposed acquisition of equity stake in Spice Communications, says a business daily. The Department of Telecom (DoT) has asked the company to surrender its licence in either Punjab or Karnataka without getting a refund of entry fee paid for these circles to avoid overlapping of service areas. Idea Cellular had recently got licences for the two circles, where Spice had been offering mobile services. According to existing merger and acquisition rules, a company cannot hold more than 10% stake in two different telecom firms in the same circle.

### Aditya Birla Telecom's FDI plan to get delay: report

### Kavveri Telecom to set up telecom infra arm

Kavveri Telecom Products Ltd. has informed that its Board has decided to incorporate a company with the name Kavveri Telecom Infrastructure Ltd. It will be a subsidiary of Kavveri Telecom and will be involved in the creation of telecom infrastructure.

### Idea issues pref shares to TMI Mauritius

Idea Cellular has announced issue of 464,734,670 shares of the company to TMI Mauritius on a preferential basis pursuant to the stock exchange's in-principle approval. The share issuance committee of the company's Board on August 13, completed allotment of all the shares of Rs10 each at a price of Rs156.96 per share on a preferential basis against receipt of an aggregate amount of Rs72.94bn.

### Tata Communications gets ISO 27001 certification

Tata Communications has achieved the International Organization for Standardization (ISO) 27001 certification for its Security Service Operations Center located in Chennai, India. The ISO 27001 certification establishes that Tata Communications' infrastructure and practices meet ISO's stringent standards for security capabilities. ISO develops and publishes standards that establish best practices across a variety of industries. The ISO 27001 certification is an endorsement of Tata Communications' commitment to deliver managed and monitored security solutions built to the highest International standards.

**XL Telecom sign 5-year agreement with LDK Solar**

LDK Solar Co., Ltd, a leading manufacturer of solar wafers has signed a five-year contract to supply multi crystalline solar wafers to India-based XL Telecom & Energy Ltd. Under the terms of the agreement, LDK Solar will deliver approximately 300 MW of multi crystalline silicon solar wafers to XL Telecom & Energy Ltd. over a five-year period, commencing in the first quarter of 2009 and extending through 2013. XL Telecom & Energy Ltd will, make a down payment representing a portion of the contract value to LDK Solar.

**Sterlite sets quality standard for its products**

Sterlite Technologies has announced that its Optical Fiber & Fiber Optic Cables facilities in India have been audited and certified as per the TL 9000 Quality Management System. Sterlite is the first company in India and the sixth in the world to receive this certification for both Optical Fiber and Cable products.

**KEC Intl to foray into telecom tower biz: report**

KEC International is reportedly planning to enter the business of erecting telecom towers in the rural areas as a part of its diversification plans. KEC, part of the RPG group, would spend Rs1bn in the current fiscal year, to set up 400 telecom towers in the rural areas, according to a financial daily. The Government provides 50% subsidy to companies that are willing to set up mobile towers in rural areas. The company is constructing telecom towers at three manufacturing units in Jabalpur, Jaipur and Nagpur. Its total manufacturing capacity at present is 1.8 lakh tons, including 70,000 tons of contracted capacity, the paper said.

**D-Link launches Made in India videophone**

D-Link has reportedly announced the development of a videophone, which it claims has been designed, developed and manufactured in India. The phone is adjustable to broadband speeds ranging between 128 kbps to 2Mbps, according to a financial daily. The phone is priced at Rs30,000. The videophone to be launched in September has been designed and developed in 18 months and 90,000 man-hours of investment, says the daily.

**Sony Ericsson unveils latest James Bond phone**

Sony Ericsson plans to unveil an exclusive partnership between the Metro-Goldwyn-Mayer Pictures/Columbia Pictures release of EON Productions' 22nd James Bond adventure, QUANTUM OF SOLACE, and the C902 Titanium silver edition. The phone, as used by James Bond - played by actor Daniel Craig in the new film will be available for a limited period and include a memory card loaded with a host of 007 content.

**Megasoft arm launches solution for m-commerce**

XIUS-bcgi, the telecom division of Megasoft Ltd., has announced the launch of its eCogNito solution – an end-to-end mobile transaction platform. This launch will be offered as a pilot to Bharti Airtel, India's leading integrated telecom company, under a memorandum of understanding signed between the two companies. With the company's current rural initiatives, eCogNito's ease of use solutions will improve accessibility, penetration and adoptions of Bharti Airtel's m-commerce offerings to their rapidly growing customer base.



### **Ericsson unveils social project in Bangladesh**

Ericsson is launching a pilot in Bangladesh to demonstrate how to improve productivity and quality of life in the country with the use of high-speed internet services through 3G/HSPA technology. The pioneering project, called Alokito Bangladesh (Enlightened Bangladesh), will demonstrate high-speed internet access and a range of advanced services - including mobile health and mobile learning - in the capital, Dhaka, from early August to the end of October.

### **Singapore Telecom adds 12.37mn subscribers in Q1**

Singapore Telecommunications has added 12.37mn mobile-phone subscribers during its first quarter, boosted by rural customers in India. SingTel had a total of 197.7mn users in eight markets at the end of June, according to the reports. SingTel, which has 31% stake in Bharti Airtel, gained 7.4mn wireless customers during the quarter. In Singapore, SingTel attracted 182,000 customers, boosting its users in its home market to 2.75mn.

### **Vodafone in talks with TDC on bigger Polkomtel stake: report**



Vodafone is reportedly in talks to increase its stake in Polish mobile operator Polkomtel. Vodafone already has a 19.6% stake in Polkomtel and is hoping to buy a further 4.8% in the Polish operator from TDC, the report stated. TDC owns 19.6% of Polkomtel but is looking to sell out to Vodafone and four state-controlled Polish companies, the report added.

### **ADB funds Roshan services development in Afghanistan**

The Asian Development Bank (ADB) plans to provide a US\$55mn loan to local mobile phone provider Telecom Development Company Afghanistan, for coverage expansion to parts of the country that have poor or no telecommunications infrastructure, according to reports. In addition, the operator, which does business under the name Roshan, plans to use these funds to support the rollout of its mobile banking system called M-Paisa.

### **Nortel acquires Pingtel to extend unified communications: report**



Nortel has acquired Pingtel's business to extend its unified communications capabilities, according to reports. US-based Pingtel is a designer of software-based unified communications services and is owned by enterprise mobility service provider Bluesocket. Nortel will acquire the key assets of Pingtel from Bluesocket. Financial terms were not disclosed. Pingtel employees will be integrated into Nortel's Billerica, Massachusetts's facilities.

### **Ericsson expands Siminn's 3G network in 900 MHz band**

Ericsson has won a contract from Icelandic operator Siminn to expand its WCDMA/HSPA network into the 900 MHz band. This will enable Siminn to deliver enhanced mobile data services to remote areas across Iceland. Under the two-year agreement, Ericsson will be the sole supplier of WCDMA / HSPA radio access equipment and the GSM / WCDMA common core network. Ericsson will also expand Siminn's GSM network, upgrade its software and deliver professional services including deployment and systems integration.

### **Germanos to sell Romtelecom services**

Romanian GSM retailer Germanos has signed a partnership with Romtelecom to offer Romtelecom voice, internet and television services through its retail chain, according to the reports. Germanos is also the direct sales partner of mobile operator Cosmote Romania. Cosmote, Germanos and Romtelecom all form part of the OTE group. Half of sales registered in 2007 came from its direct sales deal with Cosmote Romania. The retailer expects a market share of 40% for Cosmote direct sales in 2008, the report added.

### **Andinatel, Pacifictel to merge in September**

Ecuadorian regional carriers Andinatel and Pacifictel are expected to merge at the end of September, according to the reports. The new company's budget, resulting from the merger of the two separate budgets, is estimated to reach US\$280mn. The disparity in the investment budgets of the two entities is one of the arguments for the merger. There have also been talks over a possible collaboration with Antel, Uruguay's state-owned telecommunications company. Espinel refused to reveal the name of the new company. The costs of the merger have not been disclosed either. The representative further added that the two companies' merger is expected to reduce billing costs related to the operating system software as well as to redundant operation centres, the report stated.



### G.703

G.703, a standard based on Pulse-code modulation (PCM) standard, specifies voice over digital networks. Voice to digital conversion according to PCM requires a bandwidth of 64 kbps (+/- 100 ppm), resulting in the basic unit for G.703. G.703 specifies the physical and electrical characteristics of hierarchical digital interfaces at a rate up to 140Mbit/s.

### Group 3

Group 3 is an ITU-T standard relating to fax devices. A Group 3 fax device is a digital machine containing a 14400 baud modem that can transmit an 8 1/2 by 11 inch page in approximately 20 seconds with a resolution of either 203 by 98 dots per inch (dpi) or 203 by 196 dpi (fine), using Huffman code to compress fax data. Group 3 faxes use a standard dial-up telephone line for transmission.

### Hook flash

Hook flash, a type of signaling, is a brief interruption in the loop current on loop start trunks that the attached system does not interpret as a call disconnect. Once the PBX or PSTN senses the hook flash, it generally puts the current call on hold and provides a secondary dial tone or access to other features such as transfer or call waiting access. A hook flash is done by momentarily pressing down the cradle on a telephone. Some telephone handsets have a button called 'flash' or 'recall' that sends a 'timed loop break', or 'calibrated flash' which is a hook flash that has a precise timing.

### HPF: High Pass Filter

High Pass Filter (HPF), sometimes called a low-cut filter, is a filter that high frequencies can be transmitted well and frequencies lower than the cutoff frequency are attenuated or reduced. The actual amount of attenuation for a particular frequency varies from filter to filter.

### Immediate Start Signaling

Immediate Start Signaling is the most basic of Start Dial Supervision. The originating side goes off-hook, waits for a finite period of time (200ms, for example), then sends the dial digits without regard to the far end. The Immediate Start Signaling method is less reliable than Wink Start. In Immediate Start, there is no wink from the end that receives the call to signify that that is ready to accept digits.

### In-Band Signaling

Inband (In-Band) Signalling, also known as robbed-bit signalling, is a type of signalling in which metadata and control information is sent in the same channel used for data. For example, a line uses 8 kbps of each 64 kbps channel for WAN synchronization and signalling. The remaining 56 kbps handle the transmission of user data. T1 access lines containing one or more switched channels, and Switched-56 lines use inband signalling.