

Consultation Paper No. 01/2019



Telecom Regulatory Authority of India

Consultation Paper
on
Review of Per Port Transaction Charge and Other Related
Charges for Mobile Number Portability

22nd February, 2019

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Written Comments on the Consultation Paper are invited from the stakeholders by 15th March 2019. Counter-comments, if any, may be submitted by 22nd March 2019. Comments and counter-comments will be posted on TRAI's website www.trai.gov.in. The comments and counter-comments may be sent, preferably in electronic form, on the e-mail address fa@traigov.in.

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CHAPTER I: INTRODUCTION

- 1.1 Mobile Number Portability (MNP)¹ facilitates a subscriber to retain his existing mobile number while changing from one service provider to another service provider within the same Licensed Service Area (LSA) and also Pan India from the existing LSA to any other LSA within the network of same service provider or any service provider.
- 1.2 Based on the selection parameters set in the guidelines by the DoT for MNP service licence, out of two MNP service licensees; M/s Syniverse Technologies (I) Pvt. Ltd was granted licence for operating in Zone-1 (Northern and Western India) and M/s MNP Interconnection Telecom Solutions (I) Pvt. Ltd. was granted licence for MNP Service Zone-2 (Eastern and Southern India). These licenses came into effect from the 20th March 2009. DoT initially granted the MNP service licence for 10 years².
- 1.3 Through the amendments in licenses, DoT also mandated MNP service licensees to follow the regulations/orders made or directions issued by TRAI under TRAI Act, 1997 or any instructions issued by the DoT (licensor) from time to time.
- 1.4 Summary of the milestones and chronology of events related to MNP is as per the Table 1.1 below:-

¹ The process of MNP started when TRAI gave its recommendations to DoT on 8th Mar 2006 and subsequently on 1st Aug 2008 DoT issued guidelines for Pan India MNP implementation. On 6th May, 2009, DoT issued amendment in the various licenses namely, Unified Access Service (UAS), Cellular Mobile Telephone Service (CMTS), National Long Distance (NLD), International Long Distance (ILD) and Basic Service Licensees to facilitate the implementation of mobile number portability service in the licensed service area of that licence. DoT also issued detailed instructions to all Access providers, NLD, ILD licensees for smooth provisioning of MNP. For provision of MNP services, the country has been divided into two geographic zones called MNP zones, each zone consists of 11 licensed service areas. DoT decided to allot each zone to one MNP service licensee for providing the MNP service in that zone.

² <http://dot.gov.in/access-services/mobile-number-portabilitymnp>

Table No. 1.1

S. No	Details	Date
1.	Issue of consultation paper by TRAI on MNP	22 nd July 2005
2.	Recommendations on MNP submitted to DoT	8 th March 2006
3.	Communication of acceptance of Recommendations of TRAI by DoT	10 th December 2007
4.	Issue of guidelines by DoT for MNP service licence	1 st August 2008
5.	Grant of MNP Service Licence by DoT for two zones	20 th March 2009
6.	Amendments of Licences of Unified Access Service (UAS), Cellular Mobile Telephone Service (CMTS), National Long Distance (NLD), International Long Distance (ILD) and Basis Service to facilitate timely implementation of MNP. Issue of detailed instructions for all kinds of tariff charges including per port transaction fee/charge, porting charge and dipping charge to be determined by TRAI	6 th May 2009
7	TRAI issued the Telecommunication Mobile Number Portability Regulations, 2009 (8 of 2009) dated laying down the basic business process framework for implementation of intra-circle Mobile Number Portability (MNP) in the country.	23 rd September, 2009
8.	TRAI issued Consultation Paper On Determination of Port Transaction Charge, Dipping Charge and Porting Charge for Mobile Number portability”	22 nd July 2009
9.	TRAI issued Telecommunications MNP Per Port Transaction Charge And Dipping Charge Regulations	20 th Nov 2009
10.	Facility of MNP was launched (intra-circle)	20 th January 2011
11.	Start of Pan India as the national rollout of MNP services (Full-MNP) across all licensed service areas	3 rd July 2015
12.	Review of MNP Per Port Transaction Charge	31 st January 2018
13.	TRAI issued Telecommunications MNP (Seventh) Amendment Regulations, 2018 to review and revamp the MNP process and make it more efficient and convenient for the telecom subscribers	13 th December 2018.

1.5 As per the MNP service licence, the MNPSP is authorised to provide porting services and dipping services and for which following types of charges can be charged for providing Mobile Number Portability Service :-

(a) Porting Charge means the charge payable by the subscriber for porting his number to the recipient operator (the operator, where the subscriber is willing to port his number).

(b) Dipping Charge means the charge payable by the service provider who uses the query response system of the MNP service provider for obtaining Location Routing Number (LRN) for correct routing of the called number.

(c) Per Port Transaction Charge means the charge payable by the Recipient Operator to the Mobile Number Portability Service Provider for processing each porting request of a mobile subscriber number.

1.6 At present only per port transaction charge has been fixed by TRAI whereas porting charges and dipping charges have been left to TSPs and MNPSPs to decide with their mutual consent and are under forbearance.

1.7 As per Regulation 6(2) of “Telecommunications MNP per Port Transaction Charge and Dipping Charge Regulations 2009”, the Authority may review and modify the Per Port Transaction Charge and Dipping Charge. The Authority issued amendment to these regulations on 31st January 2018.

1.8 Subsequently, Authority has undertaken a detailed public consultation to review the MNP process. Through the 7th amendment to the MNP regulations, 2009 issued on 13th December 2018, a major shift in the mechanism for generating Unique Porting Code (UPC) has been provisioned. Responsibility of UPC generation has been shifted from Donor Operator (DO) to MNPSP after making real time query with database of DO. Accordingly, this public consultation has been initiated to invite the

comments and counter-comments of all the stakeholders for review of the existing MNP Per Port Transaction Charge and Dipping Charge Regulations, 2018. Chapter-I of this document deals with the introduction and Chapter-II provides the details of the existing process and the changes provisioned in the MNP process after introduction of 7th Amendment to the MNP Regulations, 2009. Issues related to the costing of facilitation of MNP in new scenario have been discussed in Chapter -III and Chapter-IV contains the issues for consultation.

CHAPTER II: MOBILE NUMBER PORTABILITY PROCESS

Mobile Number Portability Regulations, 2009

- 2.1 The Telecom Regulatory Authority of India issued the Telecommunication Mobile Number Portability Regulations, 2009 (8 of 2009) dated 23rd September 2009 laying down the basic business process framework for implementation of intra-circle Mobile Number Portability (MNP) in the country.
- 2.2 Facility of MNP was launched in Haryana service area on 25th November 2010 on pilot basis and the same was extended to the entire country on 20th January 2011. Initially, the MNP facility was available within the licensed service area only. However, in accordance with the provisions contained in the National Telecom Policy- 2012 regarding “One Nation – Full Mobile Number Portability”, full MNP was implemented w.e.f. 3rd July 2015. Till December 2018, approximately 412 million subscribers have availed MNP facility.

Amendments to the MNP regulations, 2009

- 2.3 TRAI issued the Telecommunication Mobile Number Portability (Second Amendment) Regulations, 2010 (05 of 2010) on 24th November 2010 modifying the timeline from 24 hrs to 4 working days for Donor Operator (DO), to verify the details of porting request and communicate acceptance or rejection of the porting request to the Mobile Number Portability Service Provider (MNPSA). The modification in the timelines from 24 hrs to 4 working days in the regulation 10 of the principal regulations had been necessitated due to the request by the Department of Telecommunications (DoT), citing security reasons. With this amendment to the principal Regulations, the maximum time period for porting became seven working days, except in Jammu & Kashmir, Assam and North East licensed service areas, wherein it became fifteen working days.
- 2.4 Telecommunication Mobile Number Portability (Third Amendment) Regulations, 2012 (16 of 2012) were issued on 8th June 2012, to facilitate porting of mobile numbers of subscribers of the quashed licensees

subsequent to the judgment of Hon'ble Supreme Court's dated 2nd February 2012. This amendment facilitated porting of mobile numbers whose age on network was less than 90 days.

2.5 The Telecommunication Mobile Number Portability (Fourth Amendment) Regulations, 2012 (19 of 2012) were issued on 19th September 2012, to levy financial disincentives on the concerned access service provider for contraventions of the provisions of the regulations as following: -

(a) In the cases where deviation is noticed by the Authority in the timelines specified in regulations for Donor Operator (the operator to whose network the mobile number belongs at the time the subscriber makes a request for porting) and Recipient Operator (the operator to whose network the number is sought to be ported) a financial disincentive, not exceeding Rs.5,000/- will be levied for each contravention.

(b) In the cases where contravention is established in rejection of porting request for an Access Provider acting as DO, a financial disincentive of an amount, not exceeding Rs. 10,000/- will be levied for each rejection.

2.6 To address issues related to processing of porting requests from the corporate mobile numbers, the Telecommunication Mobile Number Portability (Fifth Amendment) Regulations, 2013 (9 of 2013) were issued on 22nd July 2013. Salient features of this amendment are as following:

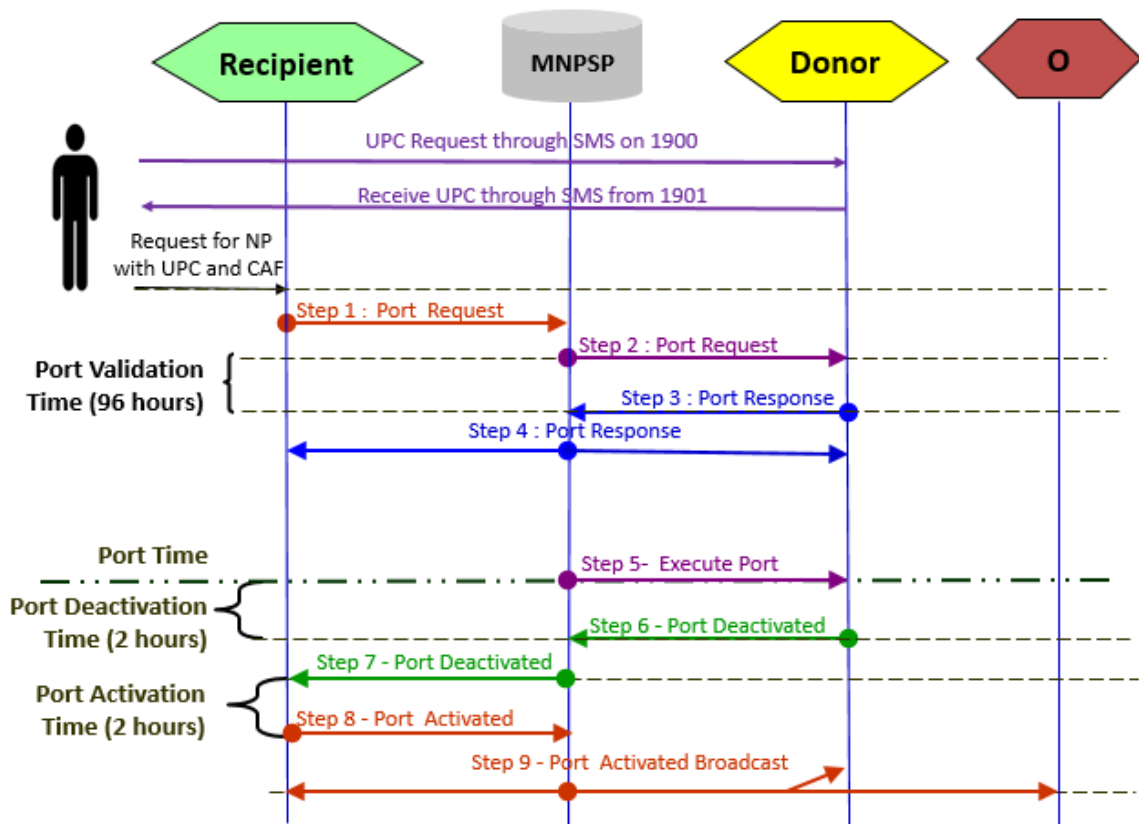
(a) Upto 50 corporate mobile numbers of a service provider can be ported to another service provider through letter of authorization from the authorized signatory of the corporate mobile numbers, in a single porting request

(b) Considering the activities involved and number of mobiles to be processed in single porting request, 48 hrs have been allowed for forwarding the porting request by the RO, for corporate mobile numbers whereas 24 hrs remain unaltered for individual porting requests.

2.7 The Telecommunication Mobile Number Portability (Sixth Amendment) Regulations, 2015 (03 of 2015) dated 25th February 2015 were issued for facilitating inter-service area mobile number portability (Full Mobile Number

Portability) in the country. The Full MNP was implemented w.e.f. 3rd July 2015.

Fig. 2.1: Prevailing MNP Process



2.8 In the present process of MNP, to initiate MNP, the subscriber sends a request to Donor Operator (DO) through Short Message Service (SMS) to Short Code 1900 in a standardized format along with the mobile number required to be ported. In case of J&K LSA, the subscriber has to call the number '1900'. Upon receipt of the request, DO matches the indicator (mobile number) with the number sought to be ported and sends back a reply message through an automated system generated SMS containing a Unique Porting Code (UPC) immediately. The validity of the UPC is fifteen days, except for the Jammu & Kashmir, Assam and North East licensed service areas, where the validity is thirty days.

2.9 The subscriber, upon receipt of UPC on his mobile number, has to submit the porting request along with the Customer Acquisition Form (CAF) as specified by the Recipient Operator, accompanied by all the documents as applicable to a new subscriber. In case of a postpaid subscriber, a copy of

the last bill, and in case of corporate mobile number, an authorization letter from the authorized signatory is also required to be submitted to the RO. The UPC is filled in the porting form (CAF) and is submitted to the RO. The porting request is forwarded with key details (Mobile number, UPC, date of receipt of porting request, Donor operator) to the respective MNP Service Provider (MNPSP). As per the scheme for implementing MNP, the two licensed MNPSPs operate the centralized Mobile Number Portability Clearing House (MCH) and logically centralized Number Portability Data Base (NPDB) in the respective MNP zones.

2.10 The concerned MNPSP, upon receipt of porting request from Recipient Operator performs the following tasks: -

- (a) Verify from its number portability database whether the mobile number has been ported earlier and if so, whether a period of ninety days has elapsed from the date of its last porting;
- (b) verify whether earlier porting request for the same mobile number is not pending.

2.11 The request is forwarded to Donor Operator only in the cases where both the above-mentioned conditions (a) and (b), are satisfied. Otherwise, MNPSP rejects the current request for porting and communicates such rejection to the Recipient Operator which forwarded the porting request. The Recipient Operator thereupon communicates the same to the concerned subscriber.

2.12 On receiving the porting request forwarded by the MNPSP, the Donor Operator, within four working days, verifies the porting request for clearance on nine grounds of rejection. Based on these nine grounds of rejections, clearance/ rejection of porting request is communicated to the MNPSP by the Donor Operator. The applicable grounds of rejections are as follows:-

- (a) Outstanding payments due for the issued bill (normal billing cycle)
- (b) A period of ninety days has not elapsed from the date of activation of a new connection.
- (c) Change of ownership of mobile number is under process

- (d) The mobile number is sub-judice
- (e) Prohibited by a Court of Law
- (f) UPC mismatch
- (g) Contractual obligations are not complied by the subscriber
- (h) In case of a corporate mobile number, the porting request is not accompanied by authorization letter from authorized signatory
- (i) Validity of UPC has expired

2.13 Upon receipt of communication of clearance or rejection from the Donor operator, the MNPSP --

- (a) Where the Donor Operator has indicated the grounds for rejection of the porting request, communicates the same to the RO, which further communicates in writing or through SMS to the concerned subscriber along with the grounds for rejection as indicated by the Donor Operator; or
- (b) Where the Donor Operator has indicated its clearance to the porting request or has failed to communicate either its clearance or rejection within four working days, fix the date and time of porting of such mobile number and communicate along with anticipated 'No Service Period' to the Donor Operator and RO simultaneously. The RO in turn communicates the same to the subscriber telephonically or through SMS.

2.14 MNPSP coordinates with DO and RO to execute the MNP process. It sets the port time and sends the notification to both Recipient and Donor operator. At the notified date and time window, MNPSP informs the Donor Operator to disconnect the mobile number of the subscriber and upon receiving confirmation of such effect, or expiry of two hours, whichever is earlier, informs the RO to activate the mobile number of the subscriber. Once the mobile number is activated at the RO's end, the MNPSP attaches the corresponding routing number called Location Routing Number (LRN), which is a unique routing number assigned to each operator (technology wise) in a service area by DoT, to the ported mobile number in the centralised Number Portability Database (NPDB). This updated LRN and the

ported number is then broadcast to all the Access Providers and International Long Distance Operators for updating their respective local Number Portability database. Whenever any call is made to the ported mobile number, the originating network first queries the number portability database to obtain its LRN and then the call is routed directly to the destination mobile network/number.

- 2.15 **Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018 (9 of 2018)** TRAI, on 13th December, 2018, issued the Telecommunication Mobile Number Portability (Seventh Amendment) Regulations 2018, to the principal regulations of Telecommunication Mobile Number Portability (MNP) Regulations 2009 (8 of 2009). For implementation of the MNP (seventh amendment) regulations, 2018, a timeline of six months from the date of publication in the Official Gazette has been provisioned.
- 2.16 Through the 7th Amendment to MNP regulations, 2009, a major shift in the mechanism for generating Unique Porting Code (UPC) has been provisioned. Responsibility of UPC generation has been shifted from donor operator to MNPSP after real time query with database of donor operator. Porting process of individual mobile numbers has been modified, which will become faster and convenient as, MNPSPs shall schedule the porting of a mobile number upon successful validation of real time query with donor operator and does not require a port response from the donor as in the existing process.
- 2.17 In the revised process for MNP, it has been provisioned to establish a query response mechanism to enable the Mobile Number Portability Service Provider (MNPSP) to access the database of the Donor Operator on real time basis to query the eligibility conditions (listed in Clauses (a) to (g) under sub-regulation (3) of regulation 6A) and obtain the response to the queries. Based on the result of queries made by MNPSP and fulfilment of other prescribed conditions, the MNPSP shall allocate and deliver the UPC to the subscriber. In case the subscriber is not eligible to port his number, UPC

will not be allocated and the subscriber shall be communicated by the MNPSP, the reason of non-generation of unique porting code through SMS.

2.18 According to the process to be implemented as provisioned in 7th Amendment, the request for generating the UPC by the subscriber received at Donor Operator's network, on Short Code 1900 will be forwarded to the concerned Mobile Number Portability Service provider, which shall check the following conditions from its database whether: -

- (a) the mobile number has been ported earlier and, if so, a period of ninety days has not elapsed from the date of its last porting;
- (b) porting request is already in process for the same mobile number; and
- (c) unique porting code has already been issued and not expired yet.

2.19 Where Mobile Number Portability Service provider finds that the clause (a) or (b) mentioned above are applicable, the Mobile Number Portability Service provider shall not generate unique porting code and shall communicate the reason of non-generation of unique porting code to the subscriber through SMS. In case of (c) above, the MNPSP shall convey the same valid UPC to the subscriber.

2.20 Where Mobile Number Portability Service provider finds that the clause (a) and (b) and (c) mentioned are not applicable, it shall check immediately on real time basis from the database of Donor Operator whether:-

- (a) the number is a Corporate mobile number;
- (b) there are outstanding payments due from the post paid subscriber by way of pending bill, issued as per the normal billing cycle but before the date of request for unique porting code;
- (c) the porting request has been made before the expiry of a period of ninety days from the date of activation of a new connection;
- (d) a request for change of ownership of mobile number is under process;
- (e) the mobile number sought to be ported is sub-judice;

- (f) porting of the mobile number has been prohibited by a court of law;
- (g) there are subsisting contractual obligations in respect of which an exit clause has been provided in the subscriber agreement but the subscriber has not complied with such exit clause;

2.21 The Donor Operator shall ensure that its query response mechanism provides the response, as sought by the Mobile Number Portability Service provider in the above para (under sub-regulation (3) of Regulation 6A) on real time basis. The Mobile Number Portability Service provider shall retain the information obtained by it under sub-regulation (3) for taking necessary action, on receipt of the porting request of the subscriber, from Recipient Operator.

2.22 If the Mobile Number Portability Service provider finds that the request of the subscriber is not covered under the grounds contained in the clauses (b) to (g) of sub-regulation (3), it shall allocate unique porting code to the subscriber and communicate the same to the subscriber through SMS. The unique porting code shall be prefixed by 'C' for corporate mobile number as per the response to the query in clause (a).

2.23 If the Mobile Number Portability Service provider is not able to check the information from the database of the Donor Operator, as provided in the sub-regulation (3) of regulation 6A, for any technical reason, it shall send an SMS to the subscriber acknowledging his request for unique porting code and informing him that delivery of unique porting code is delayed due to technical reason and the same shall be delivered shortly.

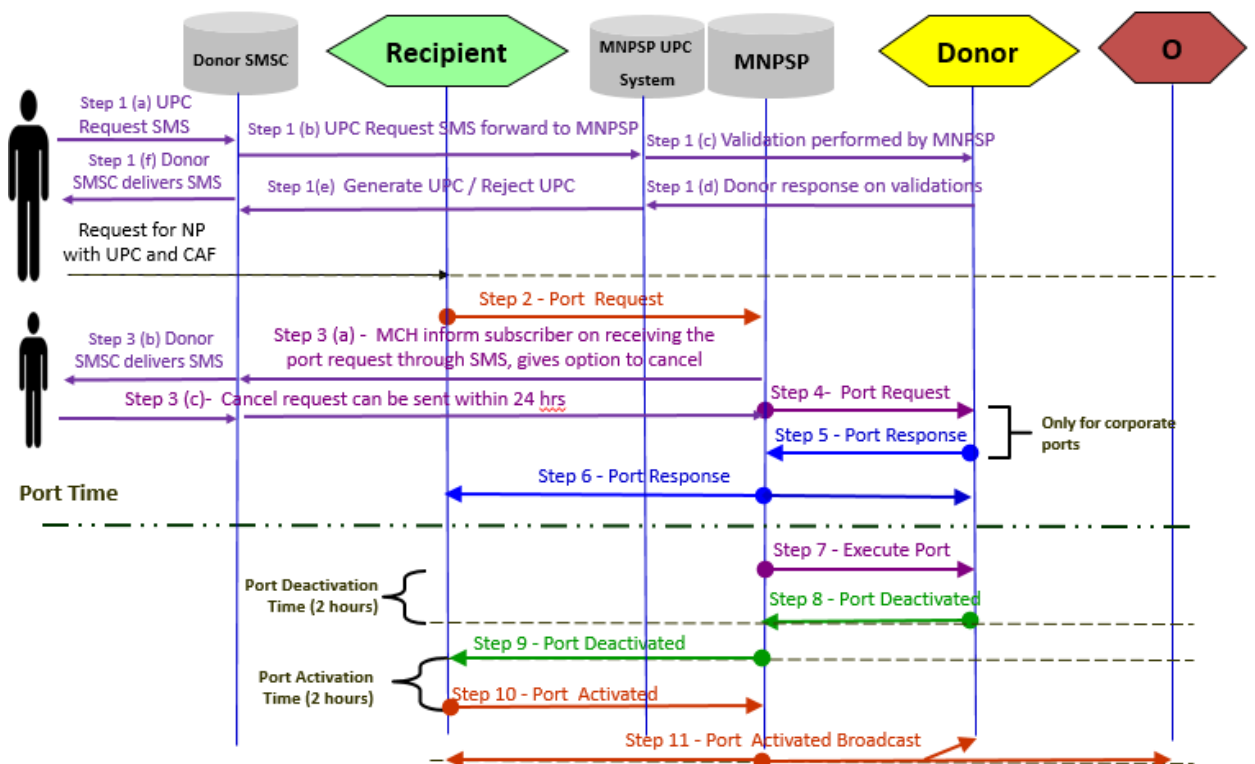
2.24 When any of the conditions contained in clause (b) to (g) of sub-regulation (3) of regulation 6A are applicable for the mobile number under porting, the Mobile Number Portability Service provider shall not issue unique porting code to the subscriber and shall inform the subscriber through SMS, the reasons for non-generation of unique porting code and retain such records for a minimum period of six months.

- 2.25 Upon receipt of the porting request from the Recipient Operator, the Mobile Number Portability Service provider shall verify (sub regulation (7) of regulation 9) whether:-
- (a) porting request is not in process for the same mobile number;
 - (b) unique porting code received along with the porting request matches with the unique porting code generated from its database for the mobile number under porting;
 - (c) unique porting code is valid on the date of receipt of porting request.
- 2.26 Where any of the conditions contained in clauses (a), (b) and (c) under sub-regulation (7), is not affirmative, the Mobile Number Portability Service provider shall reject the current request for porting and communicate such rejection to the Recipient Operator and the concerned subscriber along with the reasons of such rejection.
- 2.27 Upon successful validation of the conditions contained in clauses (a), (b) and (c) under sub-regulation (7), the Mobile Number Portability Service provider shall:-
- (a) in all cases except corporate mobile numbers, schedule and forthwith forward such request to Donor Operator for porting on completion of two working days for intra-licensed service area porting requests and on completion of four working days for all inter-licensed service area porting requests and inform the subscriber, through SMS, the porting schedule and the port withdrawal window available to him for twenty four hours from the time of receipt of porting request;
 - (b) for the corporate mobile numbers, where the unique porting code is prefixed with 'C', forthwith, forward the details of such request, along with scanned copy of the authorization letter received from the Recipient Operator, to the Donor Operator for clearance of its porting and inform the subscriber through SMS, the port withdrawal window available to him for twenty four hours from the time of receipt of porting request;

- (c) upon clearance of the porting request made under the clause (b) of sub-regulation (9) of the regulation by Donor Operator, within the time limits as specified in regulation 10, schedule the porting within the next thirty six hours and inform the subscriber through SMS;
- (d) upon non-clearance of the porting request made under the clause (b) of sub-regulation (9) of the regulation by Donor Operator, inform the subscriber through SMS the reasons for rejection of such porting request and retain the records for a minimum period of twelve months;
- (e) for the porting request made under the clause (b) under sub-regulation (9) of regulation 9, within the time limits as specified in regulation 10, in case no response is received from Donor Operator on the porting request, schedule the porting within the next thirty six hours and inform the subscriber through SMS:

2.28 The revised process of MNP has been depicted in the Fig 2.2 below-

Fig. 2.2: Revised process of revised MNP Process as per 7th amendment



Role of MNPSP post implementation of Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018

- 2.29 In the revised MNP process, MNPSP has to provide information to the subscriber through SMS on several occasions viz. on receipt of the request for UPC through DO, communicate reasons, if any, for the failure to generate UPC due to technical reason or due to non-fulfilling the eligibility conditions laid down under regulation 6A and regulation 12. Further, upon receipt of porting request from RO, provision has been made that MNPSP shall send an SMS to the subscriber informing him about receipt of his porting request. In the same message, the subscriber is to be informed of the time window of 24 hours for withdrawal of his porting request. In case withdrawal request is received, MNPSP has to inform the subscriber whether the request is executed or cannot be executed depending on the condition that the withdrawal request is received within the designated time window of 24 hours for withdrawal or after expiration of 24 hours.
- 2.30 MNPSP has to schedule the date and time of de-activation and activation as per the process defined and shall inform the same to respective DO and RO through internal channel of communication.
- 2.31 During the allocation and delivery of unique porting code, it is paramount to ensure that UPC is generated for the every request made, only after checking all the eligibility conditions. For this MNPSP has to ensure that proper and timely communication is made to the subscriber in case his request to port does not qualify to get the UPC or there is any technical issue at that time.
- 2.32 During the process of getting UPC and porting his mobile number, the subscriber may encounter with certain queries / issues with regard to progress of his porting request. Therefore, through the amendment regulations it has been provisioned that MNPSP shall develop a web portal accessible to the subscriber as well as to the DO (through OTP based authentication) that will be useful in disseminating the information to the subscriber on the status of his request for porting or its rejection, etc., if any.

2.33 Subscriber reconnection as a process has also been introduced for supporting the subscribers who were disconnected due to payment issues and could not be connected to the current operator. Other changes introduced in the existing processes are non payment disconnect, number return and handling of port activation and validation.

2.34 After discussing the previous and the new process for MNP, the following chapter deals with the discussion on charges that may be leviable in the new regime and other related issues.

CHAPTER III: MOBILE NUMBER PORTABILITY CHARGES

- 3.1 The MNP service provider is required to design, install and maintain the requisite network elements of Mobile Number Portability Clearing House (MCH) and Number Portability Database (NPDB) etc. to facilitate the entire MNP process including inter-LSA or inter-Zone MNP (since 2015 pan India). The MNPSP has to incur not only Capital expenditure (CAPEX) in initial phase but recurring Operating Expenditure (OPEX) for the entire span of the award of the license. These entities have to recover their investments by the way of Per Port Transaction Charges and Dipping charges payable by TSPs.
- 3.2 As per Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge Regulations, 2009 dated 20th November 2009, TRAI had fixed Rs. 19/- as 'Per Port Transaction Charge' vide notification of the Telecommunication Tariff Order (Forty-Ninth Amendment) Order, 2009. The Authority prescribed Per Port Charges and Dipping Charge Rs. 19/- as ceiling. The Per Port Transaction charge was determined based on the estimated financial data and other information submitted by the two MNPSPs in 2009.
- ~~3.3~~ For the purpose of MNP the country is divided in two zones with 11 Licensed Service Areas (LSAs) in each zone. The intra-LSA MNP service started since 20th January, 2011. Till 2015, MNP was allowed only within the same LSA only. The scope of MNP was expanded in 2015 (FY 2015-16) when MNP service was allowed across all licensed service areas on Pan India basis as the national rollout (Full-MNP) w.e.f. 3rd July 2015. There was huge upsurge in the number of porting requests from 64 lakh in 2010-11 to 368 lakh in 2014-15, which has further gone up to 636 lakh in 2016-17.

3.4 The 'Per Port Transaction Charge' of Rs. 19/- was determined by TRAI in November 2009³, as shown below based on the estimated financial data and other information submitted by the two MNPSPs. The Per Port Transaction Charge was computed by dividing the total cost to the MNPSP by the estimated number of porting subscribers, over a period of 5 years. While determining the 'Per Port Transaction Charge' of Rs. 19/-, the Authority considered the lower of the cost of the two MNPSPs.

Table No. 3.1
Determination of Per Port Transaction Charge per Subscriber

Particulars	Unit	Amount
Total estimated Cost for 5 years	Rs. in Lakh	23204.69
Estimated porting for 5 years	Rs. in Lakh	1232.65
Porting Charges per subscriber for 5 years	in Rs	18.83
License fee @1%		0.19
Per Port Transaction Charge per Subscriber		19.02
Rounded off	In Rs.	19.00

3.5 Since the implementation of MNP service in India, there has been good growth in wireless subscribers as well as in the number of porting requests of MNP. It is evident from the Table 3.2 below that increase in both - the number of subscribers as well as the number of porting requests have gone up considerably. The comparative information on the zone wise wireless subscribers and porting requests for 5 years is as under:

Table No. 3.2
Comparative Year Statement of Wireless Subscribers and MNP Requests (in Lacs)

As on	Zone - I (Syniverse)			Zone - II (MITS)			Total		
	No. of Wireless Subs	Total No. of MNP Requests	% Share Subs	No. of Wireless Subs	Total No. of MNP Requests	% Share Subs	No. of Wireless Subs	Total No. of MNP Requests	% Share Subs
31.03.12	4,492	188	4.18	4,699	167	3.55	9,192	355	3.86
31.03.13	4,246	246	5.80	4,432	232	5.23	8,678	478	5.51
31.03.14	4,465	150	3.35	4,580	124	2.71	9,045	274	3.03
31.03.15	4,728	184	3.89	4,971	184	3.70	9,699	368	3.79
31.03.16	5,090	238	4.68	5,247	315	6.00	10,336	553	5.35
31.03.17	5,776	326	5.64	5,926	310	5.24	11,702	636	5.44
31.03.18	5,762	477	8.27	6,072	504	8.30	11,834	981	8.29
31.12.18 (9 months)	5,763	211	3.66	5,997	201	3.35	11,760	412	3.50

³ "The Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge Regulations, 2009" dated 20th November 2009

- 3.6 Further the growth in Wireless subscribers as well as in cumulative MNP requests is very encouraging and as on 31.03.2017, the total number of wireless subscribers were 11701.78 Lakh and 2727.53 Lakh. Cumulative MNP requests made for mobile number porting by the subscribers which is at 23.31% for last 7 years.
- 3.7 Based on the above information and audited annual accounts of the MNPSs for the year 2016-17, the Per Port Transaction cost (using Fully Allocated Cost methodology), it was noticed that there was a significant decline in the per port transaction cost. The 'per port transaction charge' declined to Rs. 4/-, which was worked out as follows: -

Table No. 3.3: Revised Per Port Transaction Charge per Subscriber

Particulars	Unit	Amount
Total Cost*	Rs. in Lakh	1,229.57
No. of porting requests received	in Lakh	310.47
Per Port Transaction Cost	in Rs.	3.96
Licence Fee @1%	in Rs.	0.04
Per Port Transaction Charge	in Rs.	4.00

- 3.8 The Authority decided to review the ceiling for per port transaction charge. Accordingly, draft "The Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge (Amendment) Regulations, 2017" was uploaded on TRAI's website on 18th December 2017 for public consultation. An Open House Discussion on the same was held on 16th January 2018.
- 3.9 After taking into consideration the comments received from stakeholders during consultation process and other relevant facts, the Authority notified "The Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge (Amendment) Regulations, 2018 (03 of 2018)" whereby prescribing the 'Per Port Transaction Charge' of Rs. 4/- for each successful porting. "The Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge

(Amendment) Regulations, 2018 (03 of 2018)” come into force w.e.f. 31st January 2018.

- 3.10 Consequent upon notification of “The Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge (Amendment) Regulations, 2018 (03 of 2018)” w.e.f. 31st January 2018; the per port transaction charge was reduced from Rs. 19/- to Rs. 4/-. The ceiling of charges leviable from subscriber also reduced to Rs. 4/- for each porting⁴. However, recipient operators are free to charge a lesser amount from the subscriber for Mobile Number Portability.
- 3.11 As explained in the preceding paras, initially, the Per Port Transaction Charges were based on the estimated data furnished by the MNPSs in 2009. Subsequently, 'Per Port Transaction Charge' were reviewed based on the financial and non-financial data of both the MNPSs as available for the financial years i.e. from FY 2010-11 to 2016-17. This review was based on the audited annual accounts of the MNPSs upto the year 2016-17 and other relevant information upto 2016-17.
- 3.12 Now, mergers of some of the major TSPs and closure of services by many TSPs have been witnessed during the last one year. The financial and non-financial information for the year 2017-18 is now available. Porting data for the last one year shows that the number of port requests per month are declining. As per Regulation 6(2) of the Telecommunications MNP per Port Transaction Charge and Dipping Charge Regulations 2009 dated 20th November 2009, the Authority may review and modify the Per Port Transaction charge and Dipping charge at the end of one year.
- 3.13 The issue of review of 'Per Port transaction Charges' was raised by some stakeholders during the consultation on Draft Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018 (9 Of 2018). As mentioned in the Chapter-II of this consultation paper, in the final regulation (7th Amendment), the Authority had made it clear that review

⁴ Telecommunication Tariff (Forty-Ninth Amendment) Order, 2009

of 'Per Port Transaction Charges' and charges for ancillary services, as provisioned in the regulation, shall be notified separately by the Authority after due consultation with all the stakeholders.

3.14 Some major changes have been incorporated through the MNP Regulations (7th Amendment), 2009 notified on 13th December 2018. Upon implementation of MNP Regulations (7th Amendment), 2009, in the normal process of porting, right from the process of generation of UPC to successful porting of the mobile number, MNPSP has to send SMS to the subscriber at least on 6-7 occasions and also inform the respective DO and RO.

Table 3.4: Activities and instances of communication by MNPSP

Activity	Instances of SMS to be send by MNPSP to the subscriber	
	Outcome A	Outcome B
Request for UPC	Delivery of UPC (or)	Denial of UPC with reason(s) of rejection as per regulation 6A.
	Delivery of UPC with delay response	Denial of UPC instantly due to technical issue in DO's network
Repeated request for UPC	Deliver the same UPC again	
Submission of porting request by subscriber	On receipt of porting request	
	Confirmation of receipt of port cancellation request (if any)	
	Execution of port cancel request (if valid)	Denial of port cancel request (in case invalid)
	Scheduling of porting window	Denial of porting due to reasons specified in the Regulations
	Forwarding of the request for validation to DO (in case of corporate porting)	Denial of porting due to reasons specified in the Regulations

3.15 As provisioned in the amendment regulations, to generate the UPC MNPSP has to establish a Query-Response mechanism to query the database of DO to get the appropriate response in the format of 'YES' or 'NO'. The response of the queries have to be recorded for future reference and also preserved for the period stipulated as per the license conditions. MNPSPs also have to develop and maintain a web portal accessible to the general public (mobile subscribers) so that information regarding progress of the porting is available at the convenience of the public. These new changes may require additional hardware requirements of servers, storages as well as changes in programming and software.

3.16 The changed role of MNPSPs, as stipulated above may necessitate the infusion of necessary CAPEX and OPEX by MNPSPs. In the Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018, the provision of ancillary service charges payable to MNPSP have been made. With regard to the provisions for ancillary services, the existing statistics for the period January, 2018 - December, 2018 have been obtained from the MNPSPs as per the Table 3.5 below: -

Table 3.5: Information of ancillary activities for the period Jan-Dec 2018

MNPSP Zone	No. of Number Return requests received	Total instances of Database download	No. of Port cancellation requests received	Subscriber Reconnection requests received	No. of NPD requests received
Zone I	9351497	954	107517	787266	1620505
Zone II	7691841	1499	14972	NIL ⁵	480104
Total	17043338	2453	122489	787266	2100609

3.17 As per the figures in the Table 3.5 above, it is evident that in the present scenario too, MNPSPs have aligned adequate resource to perform and complete the activities mentioned in the Table. Therefore, apart from the

⁵ Zone II has not provided any data related to subscriber reconnection requests received

facilitation of mobile number portability, MNPSPs are upkeeping the National Database of MNP which enables the TSPs to recover payment dues and proper routing of calls and to keep track of numbering resources. The activities performed by MNPSPs also add convenience to the mobile subscriber indirectly.

3.18 In the Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018, the provision of ancillary service charges payable to MNPSP have been made in the regulation for the activities to be performed as mentioned below:

- (a) Number Return Charge for facilitation of returning the mobile number to Number Range Holder after disconnection due to any reason including non-payment.
- (b) Database download charge for downloading the Number Portability Database by the Access Provider.
- (c) Port cancellation charge for execution of 'Port withdrawal' request of the subscriber of Donor operator.
- (d) Subscriber Reconnection Charge for facilitation of reconnecting the ported subscriber of Recipient Operator in its network.
- (e) Non-payment disconnect charge for facilitation of disconnection of the mobile number of the postpaid subscriber who has not cleared the dues of the Donor Operator after porting his number.

3.19 After examination of the comments of the stakeholders on the ancillary service charges, the Authority took a view that the provision for ancillary service charges shall remain in the regulations subject to consultation at the time of defining the actual amount of charges or otherwise will be subsumed in Per Port Transaction charges.

3.20 Accordingly, as per the provisions made in the Telecommunication Mobile Number Portability (Seventh Amendment) Regulations 2018, in order to determine the appropriate charges i.e. 'Per Port Transaction Charge' and

other charges termed as ancillary charges. Broadly either of two methodology can be adopted as described below: -

- (i) Based on the cost incurred, separate charges for 'Per Port Transaction Charge', 'Number Return Charge', 'Database download charge', 'Port cancellation charge', 'Subscriber Reconnection Charge' and 'Non-payment disconnect charge' may be determined. Or alternatively,
- (ii) Only one charge i.e. 'Per Port Transaction Charge' may be made applicable and cost of all other charges termed as 'ancillary charges' may be subsumed in the 'Per Port Transaction Charge'.

3.21 For both the options mentioned above, the separate input cost for each activity shall be required to be considered in order to determine the charges payable.

3.22 According to the foregoing, in order to obtain the views of the stakeholders on review of Mobile Number Portability Per Port Transaction Charge and other charges, the questions have been raised for the comments of the stakeholders:-

- Q1. **Whether the 'Per Port Transaction Charges' should continue to be calculated based on the methodology adopted by TRAI during the review done in the past? If not, please suggest methodology and supplement it with the detailed calculations indicating costs of hardware, software and other resources etc.**
- Q2. **While calculating 'Per Port Transaction Charge', whether the total number of MNP requests received by MNPS or successfully ported numbers be considered? Please justify your response.**
- Q3. **Should the charges for 'Per Port Transaction' and 'ancillary services' be determined separately or consolidated charges. Please justify your response along with detailed calculations indicating cost of hardware, software, other resources and overhead etc. in addition to the rationale for adoption of the method suggested by you.**

Dipping charge

3.23 As explained in the previous papers the dipping charge means the charge payable by an Access Provider or an International Long Distance Operator (ILDO), to the Mobile Number Portability Service provider for each dipping i.e. for use of query response system of the Mobile Number Portability Service provider for obtaining Location Routing Number for routing a message to the called number.

3.24 In the present scenario, it has been observed that dipping services are not being used by telecom service providers, as they have installed their own database being updated through the automated port broadcast process.

3.25 As per Regulation 4 of “Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge Regulations, 2009 (9 of 2009)” dated 20th November 2009, the Dipping charge are under forbearance. Presently, these shall be such as may be mutually agreed between the MNPSP and the Access Provider or ILDO who desires to utilise the query response system of the MNPSP.

Q4. Whether the Dipping charge, which is presently under forbearance, needs to be reviewed? If yes, suggest the methodology to determine the rate of dipping charge. Support your response with justification.

Review of Porting charge payable by subscribers

3.26 The Telecommunication Tariff (Forty-Ninth Amendment) Order, 2009 prescribed the ceiling of Per Port Transaction Charge leviable from subscriber by the recipient operator through “The Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge Regulations, 2009 (9 of 2009)” (as amended from time to time).

3.27 With effect from 31st January 2018, the ceiling of Per Port Transaction Charge leviable from subscriber stood at Rs. 4/-. However, recipient operators are free to charge a lesser amount from the subscriber for Mobile Number Portability. As per the prevailing practice, operators are not charging this amount from the subscribers.

- Q5. **Whether the porting charge payable by the subscriber to the recipient operator should continue to be prescribed as a ceiling charge as per the current practice. If no, please suggest methodology and various consideration for calculating porting charge payable by subscribers.**
- Q6. **Any other relevant issue that you would like to highlight on the MNP related charges?**

CHAPTER IV: ISSUES FOR CONSULTATION

- Q1. Whether the 'Per Port Transaction Charges' should continue to be calculated based on the methodology adopted by TRAI during the review done in the past? If not, please suggest methodology and supplement it with the detailed calculations indicating costs of hardware, software and other resources etc.**
- Q2. While calculating 'Per Port Transaction Charge', whether the total number of MNP requests received by MNPS or successfully ported numbers be considered? Please justify your response.**
- Q3. Should the charges for 'Per Port Transaction' and 'ancillary services' be determined separately or consolidated charges. Please justify your response along with detailed calculations indicating cost of hardware, software, other resources and overhead etc. in addition to the rationale for adoption of the method suggested by you.**
- Q4. Whether the Dipping charge, which is presently under forbearance, needs to be reviewed? If yes, suggest the methodology to determine the rate of dipping charge. Support your response with justification.**
- Q5. Whether the porting charge payable by the subscriber to the recipient operator should continue to be prescribed as a ceiling charge as per the current practice. If no, please suggest methodology and various consideration for calculating porting charge payable by subscribers.**
- Q6. Any other relevant issue that you would like to highlight on the MNP related charges?**

LIST OF ACRONYMS

Sl No.	Acronym	Description
1.	CAPEX	Capital expenditure
2.	DoT	Department of Telecommunications
3.	LRN	Location Routing Number
4.	MCH	Mobile Number Portability Clearing House
5.	MW	Micro Wave
6.	MNP	Mobile Number Portability
7.	MNPSP	Mobile Number Portability Service Provider
8.	NPDB	Number Portability Database
9.	OPEX	Operating Expenditure
10.	TSP	Telecom Service Provider