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ASHA DEEP FOUNDATION (ADF)

175C, J & K Pocket, Dilshad Garden, Delhi-110095

p people realize their potentialities and human dignity and create their own destiny

Nurturing the socially excluded children to develop and bring a long lasting impact on their lives through its project-DFID-IPAP

Letter No. 23/TRAI/12/2014 Dated: 10/12/2014

To

The Chairman,

Telecom Regulatory Authority of India,

Government of India,

New Delhi - 110002.

Adv(NSL)-I

Subject: Interconnection Termination Charges needs attention

Dear Sir,

This is in reference to the long pending issue of interconnection termination charge regime.

JA(AT)

These charges are levied on the service provider on whose network a voice call originates to the service provider on whose network the call terminates thereby providing a mechanism for providing a 'compensation' to the latter service provider in return for usage of its network to end a call. Although these charges provide a revenue-sharing method but the same distorts the market for both the consumers and the service operators. These charges set a virtual price-floor for setting call-tariffs hereby imposing additional costs on consumers. The charges also eat into revenue earnings of service providers.

In the beginning a revenue sharing model was suggested by TRAI in 1999 and the regulation was amended in 2009 in which the termination charges of Rs 0.20 per minute were prescribed and the same is continuing till date. After the Supreme Court intervention, in 2011, the TRAI re-computed the costs and in the report which it submitted to the Supreme Court in 2011 reflected similar stance as discussed above. It added that there should be a progressive reduction in termination charges finally converging to zero termination charges at the end of 2 years from November 2011 by adopting the Bill & Keep (B&K) mechanism which necessitates removal of termination charges.

In view of the above, we would like to bring to your kind notice that three years have already been passed but the Bill and Keep method suggested by you has not yet been implemented in India. We request your early intervention to ensure timely implementation of the new regime without any delay. In case the Bill and Keep regime is not agreed to then pure LRIC method may be followed by which termination charge determined in 2011 was Rs 0.10/ minute, which may now be closer to or even less than Rs 0.05/ minute. The non-implementation of the regime is affecting the pocket of millions of consumers and adding to the already deep pockets of the service providers.

We request you to take an early action on the termination issue at the earliest so that the benefits of change can be transferred to the consumers.

Thanking You.

Warm Regards,

Secretary

ASHA DEEP FOUNDATION New Delhi

सलाहकार (एन.एस.एल.-I)
डायरी सं. 7800
दिनांक 17/12/14

Chairman, TRAI
Dy. No. 1472
Date 17-2-14

17.12.2014

SRO (NSL) - Sh Vinay