

NOBLE SOCIAL AND EDUCATIONAL SOCIETY

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To

Dr P. K Mishra
Principal Secretary to Hon'ble Prime Minister of India,
Prime Minister Officer, South Block
Government of India, New Delhi

Sub: TRAI consultation Process on Interconnection Usage Charges

Dear Sir

As you may be aware Telecom Regulatory Authority of India (TRAI) has issued an "Consultation Paper on to "Review of Interconnection Usage Charges" dated 18th September, 2019" and sought the opinion of different category of stakeholders including the consumers.

The principal regulation for IUC of voice calls was notified for the first time through "The Telecommunication Interconnection Usage Charges (IUC Regulation), 2003 (4 of 2003)" dated 29/10/2003. This Regulation laid down uniform termination charge of 0.30 per minute. Its next review for call termination charges was undertaken in the year 2008-09 and termination charge of 0.20 per minute for local and national long-distance voice calls to fixed line and mobile (revised downwards from the erstwhile charge of 0.30 per minute.

Further, the domestic call termination charges were further revised, through the Regulation of 2015 to 0.14 per minute for wireless to wireless calls and 0 paisa for calls involving wireline telephony at either end of communication. Subsequently, the Telecommunication Interconnection Usage Charges (Thirteenth Amendment) Regulations, 2017 dated 19.09.2017 [herein after referred to as IUC Regulations, 2017 brought down wireless to wireless domestic call termination charge to 0.06 per minute, effective from 1/10/2017 to 31/12/2019. It further prescribed Bill And Keep (BAK) regime i.e. zero termination charge, effective from 1/1/2020 for domestic call termination.

TRAI has itself agreed vide the above mentioned consultation paper that the introduction of new regime for termination charges have brought about changes in the tariff plans of almost all the service providers. One of the very significant developments noticed was introduction of flat rate charging by the service providers in different plans. This has given ample options to the consumers in choosing the tariff plans. Further, the average outgo per minute, which was at 0.23 per minute, at the end of September 2017, has come down to 0.13 per minute, at the end of March 2019. This has helped the consumers immensely to get telecom services at a cheaper price.

We are of the view that the suitable time for implementation of the BAK regime would depend upon the adoption of the new technologies by service providers as well as customers and/ or balancing of the inter-operator off-net traffic. Now, while revisiting the issue, based on the actual developments during the last two years, it needs to be decided as to whether the date 1.1.2020, earlier fixed for implementing BAK regime (zero termination charge), through IUC Regulations 2017, still holds or it requires reconsideration. By this time majority of operators must have moved to packet switched technologies and the cost of terminating the calls should be so small that there would be no need to fix the termination charge and it will virtually amount to BAK.

We would like to inform that the incumbent TSPs' customers on 2G/3G network are offered very high tariffs for voice calls. For example, Airtel has total 320.3 million customers out of which 119.1 million are 4G customers which is 37% of total customers. Voda-Idea has 383.4 million customers out of which 110.5 million are 4G subscriber. 63% of Airtel's customers and 71% of Voda-Idea's customers are still on 2G/3G networks. As against the claims of offering unlimited voice tariffs, these customers are offered tariffs as high as Rs. 1.5/min for voice calls. Therefore, this regulatory uncertainty will make customers to cough up additional revenue to the telecom players. On an average, a customer uses 300 minutes of the voice calls which roughly translates into more than Rs. 15/- IUC.

We are of the opinion that the *IUC regime should be replaced with Bill and Keep regime and the TSPs should migrate to 4G networks and newer technologies such as VOLTE* and give consumers enough scope to get both voice and data services at a cheaper price. This will certainly help the government to accomplish its vision of *Digital India*. We request your good-self to intervene and ensure that interests of the consumers are duly protected under the able leadership of Hon'ble Prime Minister, Shri Narendra Modi.

Thanking you.

With regards

MBS

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- (a) Hon'ble Minister, Telecommunications & IT, Government of India, New Delhi
- (b) The Chairman, Telecom Regulatory Authority of India, Government of India, New Delhi