

04th July 2019

Telecom Regulatory Authority of India

Mahanagar Doorsanchar Bhawan Jawahar Lal Nehru Marg (Old Minto Road) New Delhi - 110002

Kind Attn.:

Shri S. K. Singhal

Advisor (BB&PA)

Subject:

Consultation Paper on "Review of the Regulatory Framework for

Interconnection"

Dear Sir,

This is in reference to the Consultation Paper issued by the Authority dated 30<sup>th</sup> May 2019 on "Review of the Regulatory Framework for Interconnection".

As desired, we hereby enclose our response to the questions raised in your above mentioned Consultation Paper. We hope our response will be given due consideration. We shall be obliged to address any further queries from your good office in this regard.

Thanking you and assuring you of our best attention always.

ours sincerely

Satya Yadav

Addl. Vice President - Corporate Regulatory Affairs

Tata Teleservices Limited

And

**Authorized Signatory** 

For Tata Teleservices (Maharashtra) Limited

Encl: As above



## TTL response to Consultation Paper on "Review of the Regulatory Framework for Interconnection"

Question 1. Whether the flexibility be provided to interconnecting operators for interconnecting PSTN to PSTN networks at SDCC/ Level II TAX (SSA)/ Level I TAX (LSA) levels as per their mutual agreements? If no, then justify your comments with reasons.

## TTL Response

As on 28th February 2019, out of total telecom subscriber base of 1205.40 million, there were only 21.72 million wireline subscribers. Hence, in terms of subscribers, size of PSTN network is less than 2% of the total network size. For fixed line networks, the existing interconnection regime mandates establishment of POIs at SDCA level for fixed line local calls and at level II TAX level for intra-circle mobile calls.

The country has been divided into 22 LSAs, 322 LDCAs/ SSAs and 2465 SDCAs. As a result of this more than 2645 POIs are required to be established for interconnection of Local Calls only with each competing fixed line operator for an entry of a new service fixed line provider. However, over less than 350 POIs are required to be established with each mobile operator for interconnection for an entry of a new mobile service provider.

Considering the insignificant percentage of traffic on these POIs for establishment of interconnection for fixed line services, establishing and maintaining such huge number of POIs may result in inefficient utilization of resources and may also lead to increase in the cost of operations.

Considering the above, TTL is of the view that the fixed line operators may get higher operational flexibility for Interconnecting PSTN to PSTN networks at Level I TAX.

Question 2. In case of no mutual agreement between the operators, what should be the level of interconnection for interconnecting PSTN to PSTN networks be mandated in the Regulations.

## TTL Response

The current decentralized type of interconnection may not be in the interest of service providers, as it may be increasing the cost of operations. The core network architecture has evolved from hub and spoke model to ring based architecture.



Simplification of interconnection regime for fixed line networks may help in growth of fixed line voice connections and protect the interests of the service providers and consumers, thus reducing the requirement of establishing and maintaining large number of POIs.

Hence, in case there is no mutual agreement between the operators, as suggested in the Consultation Paper by the Authority, the fall-back option may be Level II Tax for local and inter circle traffic. It may not only help in reducing the entry barrier for a new operator but will also do the balancing between cost of establishment and maintaining POIs near to the terminating location versus payment of carriage fee to the fixed line operator. These flexibilities will also ensure the compliance of national fundamental plans and integrity of networks, resulting in reduction in establishment and maintaining of POIs.

Migration of SDCA level POIs to L2/L1 Tax should be considered as special case of POI migration without any port shifting/surrendering charges.

Question 3. Any other issue you would like to bring to the attention of the Authority.

## TTL Response

TTL is of the view that for a pure wireline operator, charges for routing Level 1 including emergency calls do not justify the cost in tune of Rs 27 Lacs/ Year /Circle. It should be based on call volume + infra cost incurred by the service provider.