



Interconnection TRAI <interconnection.trai@gmail.com>

Comments on consultation paper on reduction of termination charges

1 message

abhishek yeola <yeolaabhishek@gmail.com>
To: interconnection.trai@gmail.com, sksinghal@trai.gov.in

Wed, Sep 25, 2019 at 6:29 PM

Respected Sir,
Thank you for your reply,

As discussed attached herewith some comments on consultation paper issued by TRAI on reduction of call termination charges to zero.

It is my pure effort to share my own views by taking into consideration both sides of the industry like customer side as well as telecom operator and their employees.

Thanking you with regards.
Abhishek A. Yeola

 **Termination Charges Comments.pdf**
283K

Q1: Is there a need to revise the applicable date for Bill And Keep (BAK) regime i.e. zero mobile termination charge from 01.01.2020? If yes, then what parameters should be adopted to decide the alternate date? Give your suggestions with justification.

Comments : - As matter is challenged by some TSP's in Hon'ble High Court Bombay that the current domestic call termination charges of Rs.0.06 per minute fixed by IUC Regulation is to be continued, It is necessary to honor the future decision of the Hon'ble High Court Bombay. But in view of above there are some parameters / options which as follows: -

1) It is learnt from the consultation paper issued that the current International call termination charges are Rs.0.30 per minute, in another view to give some benefits to the domestic telecom users by making zero termination charges, one can increase the International call termination charges in proportionate to the yearly revenue generate by TSP's through current Rs.0.06 domestic call termination charges, as international caller does have financial ability to pay some additional charges. It will be beneficial to both TSP's and domestic telecom users as well as to the nation for higher foreign earnings.

2) As per TRAI's consultation paper by the end of year 2019 most of the TSP's will move to packet switched technologies, so TSP's cost per call termination will be very less as compared current costs. But as per the current market situation, there is slowdown in every industry which is also affecting the telecom industry by each and every mean hence the some TSP's have filed petition against TRAI's decision to cut down termination charges to zero.

Another solution to that would be instead of reducing termination charges directly to zero, make the slabs of 2-2 years and reduce it gradually, the table shows below: -

Sr. No.	Slabs	Rate of Termination Charges	Remarks
1	1 st Slab - Jan 2019 to Dec 2020	Rs.0.06 per minute	Continue the current rate for next 2 years
2	2 nd Slab - Jan 2021 to Dec 2022	Rs.0.03 Per minute	Gradual change in the rates will not affect the TSP's financials
3	3 rd Slab – Jan 2023 to Continue	Zero Termination Charges	From Dec 2019 to 2023, period of 4 Years is enough for all TSP's to ready for zero termination charges

3) In view of above other option would be fix the certain amount of limit like certain billion minutes for each operator there would be no termination charges, means up to that point of time the operator cannot charge any termination charge to other operator and vis-à-vis but after completing that certain limit of billion minutes the operator will be liable to charge the termination charges as per rates of termination charges fixed by IUC Regulation/guidelines. This will be a good option for the TSP's as well as the telecom users also, because for completing that limit of certain billion minutes the operator will offer better calling rates and plans to customers.

4) Though TSP's are opposing to reduce the termination charges to zero because in this customer centric and competitive telecom industry they have survive and give cost effective and better plans to customers with quality service, It is necessary to them to update their technology every time as per industry norms and as you have mentioned in the consultation paper most of the TSP's are changing their old technology and switching towards packet switched technologies, so all these efforts

also requires good amount of capital expenditure and the reason they oppose to reduce termination charges to zero. So the other solution would be to continue with the current rates of Rs.0.06 termination charges and TSP's should pass on that BAK benefits to customers with minimum rates of voice plans or data plans (that minimum rates/plans would be fixed by TRAI) for the telecom customers.

As most of the operators now offer unlimited calling plans to their customers it is necessary to them to pass on those benefits to them with minimum rates of voice plans or data plans (that minimum rates/plans would be fixed by TRAI). This effort will create healthy competition in the telecom operators and will give better options to customers with quality service.

5) It is learnt from the consultation paper that not all the TSP's have opposed to the decision of TRAI to reduce the termination charges from 01/01/2020, as matter is sub-judice, one can never predict the decision of the courts but if those TSP's which are in favor of reducing the termination charges to zero can adopt that decision and continue with zero termination charges from 01/01/2020 but in return TRAI can offer them some benefits as compared to the all are in opposed like discounted spectrum fees, less annual TRAI fees and tax waiver for certain time or years etc. as to the TRAI's end and limits. So it will create feeling of competitiveness in the TSP's who are in oppose to the said decision.

Q2: Any other issue related with the domestic wireless termination charges.

Comments: - As telecom industry in India is become the largest in number of subscribers in terms of voice and also by data usage on mobile as compared to the world telecom industry. Telecom is also one of the major jobs creating and giving industry in India (nowadays job cutting industry also) Also this is the most competitive and technology driven as well as capital intensive industry. So the TSP's have to always face competition from rivals, offer competitive and attractive plans

with best quality service, to offer all these services to customers in this digital world the best choice they adopt is to cutting jobs, because of that unemployment rate also increases.

So it is necessary for the TRAI to not only look for how the telecom customers can be benefitted and not cheated by TSP's by way of offering expensive plans or recurring hidden charges but also for the people working in the telecom industry. Looking this termination charges matter in a social view TRAI should also look into the other side of the industry of telecom workers. As the industry is going through slowdown and because of TSP's adopting digital platforms more and more human interface is reducing so most of the telecom workers have losing their jobs. So if the TSP's are ready to continue with current rate of call termination charges of Rs.0.06 per minute TRAI should impose some regulations in terms of telecom workers that TSP's should pass on that BAK benefits to customers as well as their employees by giving assurity of between overall employee numbers at least 60-70% job security, competitive salaries and other employee benefits as compared to industry standards.