

Information Note to the Press (Press Release No. 78/2016)

For Immediate Release

Telecom Regulatory Authority of India

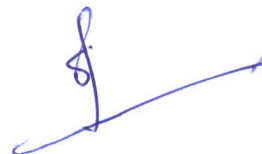
New Delhi, the 5th August, 2016: Telecom Regulatory Authority of India (TRAI) has today released a Consultation Paper on 'Review of Interconnect Usage Charges'.

An Interconnection Usage Charges (IUC) regime is an essential requirement to enable subscribers of one service provider to communicate with subscribers of another service provider. Providing interconnection entails costs for which service providers need to be fairly compensated. The IUC regime not only determines the revenue accruable to the service providers but also how this revenue is to be distributed among them. An efficient interconnection and charging regime is central to efficient and seamless connectivity between various networks.

The Authority specified IUC for the first time in 2003. Subsequently, these charges have been revised in 2006, 2009 and 2015. The prevailing termination charges are given in the following Table:

Type of call	Type of traffic	Termination charge
Local and national long distance call	Wireless to wireless	₹ 0.14 per minute
	Wireless to wireline	0 (Zero)
	Wireline to wireline	0 (Zero)
	Wireline to wireless	0 (Zero)
International call	International incoming call	₹ 0.53 per minute

The Authority has undertaken the present review exercise in view of the fact that several telecom services providers in the country have, in the recent past, built access networks using 4G mobile technology. A few of these TSPs may carry voice on Voice over LTE (VoLTE)



technology in near future. Further, world-over, Internet Telephony (in which voice travels over public Internet) is beginning to emerge as a cost-effective mode of delivery of voice calls. Together, these developments require a review of the IUC regime in the country. The Consultation Paper issued today, *inter-alia*, seeks inputs of the stakeholders mainly on the following broad issues:

- (i) Approaches to be used for prescribing domestic termination charges (viz. mobile termination charges and fixed termination charges) for maximization of consumer welfare, adoption of more efficient technologies and overall growth of the telecommunication services sector; and
- (ii) Approaches to be used for prescribing international termination charges and international settlement rates in the country for long-term sustainable growth of the International Long Distance (ILD) service segment

The Consultation Paper on 'Review of Interconnection Usage Charge' has been uploaded on TRAI's website (www.trai.gov.in). The written comments on the issues raised in the consultation paper are invited from the stakeholders by the 5th September, 2016 and counter-comments by the 19th September, 2016. For any clarifications on the afore-said Consultation Paper, Shri Arvind Kumar, Advisor (BB&PA), Telecom Regulatory Authority of India, Mahanagar Doorsanchar Bhawan, Jawahar Lal Nehru Marg, New Delhi-110002 (Tel: +91-11-23220209 Fax: +91-11-23230056) may be contacted.


(Sudhir Gupta)
Secretary