

Information Note to the Press (Press Release No. 71/2014)

For Immediate Release

Telecom Regulatory Authority of India

New Delhi, the 19th November, 2014: Telecom Regulatory Authority of India (TRAI) has today released a Consultation Paper on 'Interconnect Usage Charges (IUC)'.

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 and 2009. The prevailing IUC regime was notified on 09.03.2009 and became effective from 01.04.2009. In this regime the termination charges for local and national long distance voice calls to fixed line and mobile were uniformly fixed at the rate of Rs.0.20 (twenty paisa) per minute and termination charge for incoming international long distance calls were fixed at the rate of Rs.0.40 (forty paisa) per minute. The Authority has undertaken the present review exercise in view of the fact that a significant amount of time has elapsed since the last review. The consultation paper issued today, *inter-alia*, seeks inputs of the stakeholders mainly on the following issues:

- Which is the most appropriate approach for prescribing mobile termination charge and fixed termination charge: cost oriented or Bill and Keep?
- Which is the most appropriate methodology for estimating mobile termination cost and fixed termination cost?
- What is the most appropriate level for international termination charge?
- What should be the methodology for determining the domestic carriage charges and transit charges?



The Consultation Paper on '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 11th December, 2014 and counter-comments by the 18th December, 2014. For any clarifications on the afore-said consultation paper, Shri Arvind Kumar, Advisor (NSL), Telecom Regulatory Authority of India, Mahanagar Doorsanchar Bhawan, Jawahar Lal Nehru Marg, New Delhi-110002 (Tel: +91-11-23220209 Fax: +91-11-23230056, email-id: fn@traigov.in) may be contacted.



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