

## Fwd: Submission of Comments on TRAI Pre-Consultation Paper on Interconnection Regulations



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**Subject:** Submission of Comments on TRAI Pre-Consultation Paper on Interconnection Regulations

**To**

**Shri Sameer Gupta**

Advisor (Networks, Spectrum and Licensing-I)

Telecom Regulatory Authority of India (TRAI)

Ministry of Communications, Nauroji Nagar

**New Delhi-110029**

**Dear Mr. Gupta,**

Greetings from CII

We are writing to express our gratitude for the opportunity to contribute to the Telecom Regulatory Authority of India's (TRAI) pre-consultation paper concerning the review of Interconnection Regulations. This initiative resonates with our commitment to fostering a balanced and forward-thinking telecommunications ecosystem in India.

In our submission, we articulate critical concerns and recommendations aimed at establishing a robust regulatory architecture that addresses contemporary challenges while fostering equitable inter-network connectivity. We underscore the urgent need to recalibrate the framework governing International Termination Charges (ITC) and to ensure interconnection parity between private telecom operators and Public Sector Undertakings (PSUs).

### **Our key recommendations include:**

1. **Revision of ITC:** We advocate for increasing the upper cap on International Termination Charges. This adjustment would protect against malpractices, enhance consumer trust, and align India's ITC with global benchmarks.
2. **Ensuring Interconnection Parity:** We recommend standardizing interconnection requirements at the LSA level, facilitating a mandated migration towards IP-based interconnection, and reevaluating the outdated 'seeker' status in cost-sharing agreements to ensure a fair and competitive market environment.

3. **Regulating Infrastructure Charges:** We call for regulatory oversight to ensure transparency and fairness in the charges levied by PSU operators for Point of Interconnection provisioning.
4. **Aligning Emergency Service Charges:** We urge the elimination of additional fees for routing emergency calls, aligning the approach with public interest objectives.

We believe that our insights can contribute to a well-rounded discussion leading to enhanced interconnection regulations that meet the demands of a rapidly evolving telecommunications landscape.

Please find attached **Input on TRAI Pre-Consultation Paper on Interconnection Regulations** for a comprehensive view.

We appreciate your attention to these matters and look forward to further engagement on this critical topic. Please find our detailed comments attached for your consideration.  
Thank you for your continued commitment to improving the telecommunications sector in India.

Best regards,

Kavita

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## Input on TRAI Pre-Consultation Paper on Interconnection Regulations

### Overview

We appreciate the opportunity to respond to the Telecom Regulatory Authority of India's (TRAI) pre-consultation paper on the review of Interconnection Regulations. This exercise is both timely and necessary, given the dynamic evolution of the telecommunications ecosystem. A recalibrated interconnection framework is imperative to ensure equitable, secure, and efficient inter-network connectivity.

This submission outlines our key concerns and recommendations to support the formulation of a future-ready and balanced regulatory architecture.

### Revision of International Termination Charges (ITC)

The **International Termination Charge (ITC)** refers to the fee paid by international carriers to Indian telecom service providers (TSPs) for terminating inbound international calls on Indian networks. It serves as a crucial economic and policy lever in managing cross-border traffic and maintaining service integrity.

Under the **Telecommunication Interconnection Usage Charges (Sixteenth Amendment) Regulations, 2020**, TRAI placed ITC under forbearance while prescribing a range of ₹0.35 to ₹0.65 per minute. In practice, all licensed TSPs have aligned their ITC to the upper limit of ₹0.65 per minute.

Despite this, India's ITC remains among the lowest globally. Comparative international benchmarks reveal significantly higher charges:

**Brazil:** ~₹2 per minute

**China:** ~₹5 per minute

**Russia:** ~₹15 per minute

**Europe (average):** ~₹17 per minute

**Middle East (average):** ~₹12 per minute

**SAARC (average):** ~₹14 per minute

**North America:** up to ₹19 per minute

This pricing disparity has created unintended vulnerabilities. India has emerged as a preferred target for spam and fraudulent calls from overseas, often using caller ID spoofing techniques. Such activity poses not only a **national security** and **consumer protection** risk but also undermines **revenue realization** for legitimate operators and the **public exchequer**.

**Accordingly, we urge TRAI to revise the ITC framework by increasing the upper cap under the Interconnection Usage Charges Regulation. A recalibrated ITC will:**

- Serve as **deterrent** against telecom infrastructure misuse by malicious overseas actors
- Align India's termination charges with **international benchmarks**
- Enhancing **consumer trust** and bolster **national security**
- Improve **revenue assurance** for TSPs and the Government

### Ensuring Interconnection Parity between Private and PSU Operator

As India's telecom sector continues to evolve, it is important that legacy interconnection arrangements also adapt to current network realities and service models. Despite

substantial advancements by the industry—ranging from IP-based networks to decentralized service delivery, interconnection with PSU operators continues to be governed by outdated practices. These legacy approaches often result in increased costs, slower provisioning, and non-reciprocal terms that hinder fair competition. A refreshed regulatory approach is needed to address these asymmetries and ensure that all service providers operate under a fair, future-ready interconnection framework. In this context, we respectfully submit the following key issues for the Authority’s consideration:

### **Standard Interconnection at LSA Level**

PSU operators continue to insist on establishing interconnection at the SDCC or LDCC level, even where traffic volumes are minimal, or provisioning is technically unviable. This outdated approach increases deployment costs and deters service providers from launching fixed-line offerings in smaller geographies. To reduce inefficiencies and support faster rollout, interconnection should be mandated at the LSA level across all operators.

### **Mandate Migration to IP-Based Interconnection**

While most private operators have adopted IP-based interconnection to meet modern service requirements, PSU operators have yet to transition fully despite having compatible infrastructure in place. This results in fragmented setups, interoperability gaps, and higher costs. A defined migration timeline and regulatory clarity on IP interconnection terms will accelerate convergence and improve service quality across networks.

### **Discontinue Legacy 'Seeker' Status in Cost Sharing**

Even decades after market liberalization, PSU operators continue to designate private providers as “seekers” under interconnection arrangements, unilaterally imposing infrastructure costs beyond the two-year limit prescribed in current regulations. This practice is outdated and inequitable. We request that the Authority should intervene to ensure that all operators share interconnection costs on reciprocal and time-bound terms.

### **Regulate Infrastructure Charges for Pol Provisioning**

Charges levied by PSU operators for space, power, and other Pol-related infrastructure have seen steep increases over the years, often with automatic annual escalation and no cost basis. These charges lack transparency and impose financial strain on other operators. Regulatory oversight is required to ensure these charges are cost-based, standardized, and agreed upon mutually.

### **Align Emergency Service Charges with Public Interest Objectives**

Although India has moved towards a unified emergency number (112), private operators are still required to route certain emergency calls through PSU networks, attracting high fixed and per-call charges. These fees are misaligned with the principle of universal, free access to emergency services. We request that the Authority should ensure that all such additional fees should be eliminated to align with public service goals.