

CONSUMER PROTECTION ASSOCIATION  
HIMMATNAGAR  
DIST. : SABARKANTHA  
GUJARAT

Review of the Telecommunication Interconnection ( Port Charges )  
( Consultation Paper no. 10/2012 )

Sub. : Comments on Consultation paper on “ Review of the  
Telecommunication Interconnection ( Port Charges ) “

The aim of price regulation is to achieve in a situation of monopoly, the economic efficiency outcomes of competitive market. Economic efficiency ensure the supply of services in the most efficient manner. In a dynamic context it also calls for a process of continuous innovation and productivity improvements.

The main problem in price regulation is the informational disadvantage of the regulator vis-à-vis regulated firm. At this contest, it is desirable to move a competitive structure, so that less reliance needs to be placed on the imperfect mechanism of regulation.

Following principles can be adopted for the port charges of Telecommunication Interconnection. :

1. All costs are to be recovered and no cost element should be double counted.
2. On reference from any affected party and for good and sufficient reasons port charges should be modified.
3. Capacity enhancement would be required in the network for smooth flow of traffic. The cost of augmentation of the network resources can be recovered from usage charge of network elements involved in call carriage.

4. There should be a periodic review ( 3 to 4 Years ) to determined the regime of price control and any midterm review should be limited to major unexpected events outside the company's control.
5. Special focus should be given to formulating port charges for those services which are crucial for competition or are required for essential services.
6. There should be some provisions to prevent large companies from destroying smaller entrants.

**Apart from this the costing method adopted by TRAI is quite exhaustive, highly effective and beneficial for the consumers. We strongly endorse the same.**

( Dr. Kashyapnath )  
President



Cpa/kn/12-5/2012

23/05/2012

To,

Hon. Shri Akhilesh Kumar Trivedi,

Dy. Advisor( I&FN),

Telecom Regulatory Authority of India,

Mahanagar Door Sanchar Bhavan,

Jawaharlal Lal Nehru Marg, ( Old Minto Road ),

New Delhi : 110002

Sub. : Comments on Consultation Paper  
on “ Review of the Telecommuni-  
cation Interconnection ( Port ) regd.

Hon. Sir,

Namaskar !

Please find herewith our comments on the  
above said consultation Paper.

Please acknowledge the receipt.

Thanks.

Yours faithfully,

( Dr. Kashyapnath )

President