LAXMI NARAYAN DEVELOPMENT TRUST

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Ref. LNDT/101/J-SPB Date 9/12/14

Dated: 9-12-2014

To
The Chairman,
Telecom Regulatory Authority of India,
Government of India,
New Delhi - 110002.
Subject: Suggestions to your Consultation paper on Interconnection Termination Charges

Dear Sir,

We are very happy to inform you that finally your esteemed office required the suggestions for the operationalising the zero inter connection charges. TRAI since 1999 has been passing and amending various regulations for the inter connection charges as well as usage charges. all the policies since 2099 relating to the interconnection charges has been mentioned briefly. Keeping in mind the interest of the millions of consumers, we are eagerly giving our suggestions for your necessary action.

Telecom Regulatory Authority of India (Trai) has initiated the process to review inter-connect charges, which a telecom operator pays to another service provider for using its network to complete calls. Trai had specified IUC in 2003. It was revised in 2006 and 2009. At present, the mobile call termination charges for all local and national long-distance calls stand at 20 paise per minute, which means a telecom company pays 20 paise per minute to other company on whose network a call has been made. The termination charge for incoming international long distance calls is 40 paise per minute. The primary purpose of an Interconnection Usages Charges (IUC) regime is to facilitate inter-operator settlement. After the Supreme Court intervention, in 2011, the TRAI re-computed the costs and in the report which it submitted to the Supreme Court in 2011. In its report, TRAI taking into consideration of its stakeholders and mobile service providers committed to reduce the termination charges to Zero. In its report it also mentioned the progressive reduction in termination charges which will result to zero termination charges at the end of 2 years from November 2011 by adopting the Bill & Keep (B&K) mechanism which necessitates removal of termination charges. If one calculates the November 2011 as the date of the implementation, it is almost three years where the TRAI has not adopted to the Bill & Keep method.

On the above backdrop, we would like to request you that it is now high time that TRAI should implement its Bill & Keep mechanisms. If the Bill & Keep method is not viable, then the TRAI should reduce the termination charges to Rs.0.10/ per minute. We therefore kindly request you to take an immediate action on the termination issue which will benefit to the large number of consumers.

Thanking You.

Warm Regards,

Laxminarayan Development Trust
Manesh Kumar Naik
President