



To,  
**Advisor (BB & PA),**  
Telecom Regulatory Authority of India,  
Mahanagar Doorsanchar Bhawan,  
Jawahar Lal Nehru Marg,  
(Old Minto Road), New Delhi-110002

(Kind Attn: Shri. S. K Singhal)

No. RegIn/1-4/2011/ 8861

Dated: 18 -07-2019

**Sub:** BSNL counter comments on TRAI's Consultation paper on "Review of the Regulatory Framework for Interconnection".

Kindly refer to your office press release no. 41/2019 dated 30.05.2019, vide which TRAI releases the Consultation paper on "Review of the Regulatory Framework for Interconnection".

In this context, counter comments to the submission of M/s Airtel, M/s RJIL and M/s Voda-idea on the subject matter is given below:

BSNL has always been portrayed in a negative image by all private TSPs – like an organization which is detrimental to their growth. However, it may be noted here that private TSPs have least regard to License/ Regulations and have followed their own arrangements disregarding extant License conditions/ TRAI Regulations. And they also want BSNL to follow their arrangement. Upon BSNL's refusal to deviate away from License/ Regulations; the private TSPs have approached TRAI to accord such arrangement through such recommendations/ Regulations. It is appropriate to mention here that BSNL is a Central PSU of Government of India, and if anybody's interest is at stake, it is the Government of India and ultimately the people of India. While private TSPs would always work towards minimum investment and maximum profit, PSUs are not designed on similar platform. The PSUs organization structure and functioning is very much like any Government department with all social, political and economical obligations. The PSUs are run and managed by management appointed by Government, itself. **The very attempt to compare BSNL with private TSPs and bring Regulations accordingly is flawed.**

Prior to 2005, there were different licenses for Basic (PSTN) and Mobile services. Both these licenses had individual terms and conditions and also individual roll out obligations. However, none of private TSPs ever met the roll out obligations of Basic service license. The private TSPs wanted share in the revenue in PSTN services also but only in revenue rich areas and to select customers/ enterprise customers only. Consequently, to provide relief to these private TSPs, it is understood, unified access service regime was introduced. There was roll out obligations in NLD license which the private TSPs could not meet and was also removed. Needless to say, all these largesse through amendments were utilized by private TSPs only to provide services selectively through '**Cherry Picking**'. There has been huge churning of BSNL revenue as a result.

It is humbly submitted that in accordance to extant technology and License conditions/ Regulations, BSNL's PSTN network has copper cable for its last mile connectivity; and despite all technical advancements, it is required to operate and maintain PSTN Switching exchange/ LMG at maximum 4-8 Km to subscriber premises, depending upon quality of copper pair. Since private TSPs have not laid copper cable in such proportions, it is obvious for them to speak about technical advancement and provisioning

Basic services from one point in the entire LSA. Taking advantage of technical advancement is possible only when you have not made investments otherwise. It is a blunder to expect that BSNL will take out all its copper cable and replaces it with optical fibre cable across India. Even going by private operators speed, it will take more than 10 years and that too with appropriate funding to bring such change. While BSNL has customers at all SDCAs across India and even in towns and villages within SDCA on such copper cable, private TSPs have only marginal Basic customer base spread only in revenue rich areas and pockets.

**It is humbly submitted that BSNL being central PSU, unlike private operators, should be given weightage in accordance to Article 14 (1. EQUALITY RIGHTS (ARTICLES 14 – 18)) of the Constitution of India, which reads as under:**

*“The State shall not deny to any person equality before the law or the equal protection of the laws within the territory of India.”*

*“The said Article is clearly in two parts – while it commands the State not to deny to any person ‘equality before law’, it also commands the State not to deny the ‘equal protection of the laws’. Equality before law prohibits discrimination. It is a negative concept. The concept of ‘equal protection of the laws’ requires the State to give special treatment to persons in different situations in order to establish equality amongst all. It is positive in character. **Therefore, the necessary corollary to this would be that equals would be treated equally, whilst un-equals would have to be treated unequally**”*

Accordingly, it is humble submission of BSNL that it should not be treated at par with private TSPs/ TSPs who are not placed equal to BSNL in terms of its organization, network and status. It may be noted that BSNL’s expenditure in operation and maintenance of exchanges/ POIs at its premises spread over all the SDCA’s (over 2500) as per existing license conditions/ regulations, cannot be compared with other TSPs who mostly operate from one location in the LSA.

The comments of M/s Airtel and M/s Vodafone Idea are very much on similar lines; M/s RJIL has also left no stone unturned to squarely put blame on BSNL for their own follies and failures to get interconnectivity. Notwithstanding, as already noted by BSNL in its comments; these TSPs have not responded to BSNL’s initiative for implementing TRAI’s Telecommunications Interconnection Regulations, 2018. It may be noted here that the very first TRAI’s Telecommunications Interconnection Regulations, 2018 dated 01.01.2018 was opposed by BSNL. BSNL also filed WP (C) 870 of 2018 in Hon’ble High Court of Delhi against the Regulations. Subsequently, TRAI brought amendment, TRAI’s Telecommunications Interconnection Regulations, 2018 amendment dated 05.07.2018, to give some relief to BSNL. And, in view of the said amendments only, BSNL withdrew its petition, with liberty to file again. However, the amendment was seemingly not agreeable to private TSPs, especially M/s Airtel and M/s Vodafone Idea. The TSPs, though, did not challenge the amendment Regulations; however, also did not implement the same. All efforts of BSNL to implement the same through agreement/ addenda have gone fruitless till now. And TRAI Consultation paper on “Review of the Regulatory Framework for Interconnection” – before the addenda/ agreement could be signed – is understood to be apparently at the instance of these private TSPs and ultimately cause loss to BSNL.

#### **Counter comment to TSPs suggestions for reducing carriage charges:**

It is justifiable for a private TSP when it says that it does not take carriage charge from other private TSPs for carriage of calls in their own network. However, this is primarily because private TSPs have very little or no carriage to do since they have very few subscriber and area of operation and their switch is located at a single location in the LSA. However, even after upgradation to NGN, BSNL has Switches in all SDCAs. Hence, in view of huge costs involved at O&M of SDCA and below exchanges, there is urgent need to increase carriage charge.

**Counter comment to TSPs suggestions for interconnectivity at 1 to 4 points/ locations:**

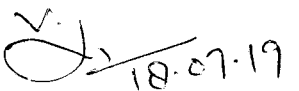
As stated above, since the private TSPs have their switch is located at a single location in the LSA; they have interconnectivity probably at one location only. However, even after upgradation to NGN, BSNL has Switches in all SDCA.

**Counter comment to some of RJIL suggestion on BSNL network, interconnection point and charging:**

1. The entry of RJIL in Mobile is heralded by offering free service initially for close to one year. And the result – many telecom operators had to close their operations and those who could sustain are still reeling under huge loss.
2. RJIL has not yet commercially launched its FTTH service; however, as is learnt from various newspaper stories, it is offering free FTTH connections throughout India at many locations since more than 3 months. And the result is existing TSPs connections may be getting disconnected without showing any correspondence increase in RJIL connections since it is not commercially launched. Even after commercial launch how much such free connections will impact existing TSPs can be any body guess.
3. BSNL is committed to Governments ambitious “Digital India” programme and NCDP – 2018; and BSNL understands that fixed line voice as well as fixed line Broadband requires similar incentives for its spread and broader participation from private TSPs. **However, changing point of interconnection in name of NCDP – 2018 cannot ever be agreed. Any TSP, including RJIL, should not have any reservations in seeking interconnectivity at local/ SDCA level if it is providing wireline connections in the SDCA.**
4. Almost all major Access Service TSPs have NLD license, however, owing to large carriage cost involved, they seek BSNL NLD network for carriage of their traffic which at current low carriage charges applicable provides them cheaper alternative.
5. BSNL has signed interconnect agreement with major NLD TSPs for POIs at BSNL SDCA exchanges; however, no TSPs have taken interconnectivity at all SDCA exchange.
6. BSNL disagrees with RJIL submission that level of interconnection was decided keeping in view PSTN network hierarchy. PSTN i.e. Basic network of BSNL has no hierarchy and has exchanges at SDCA level for interconnection.
7. Tariff for various calls is dependent upon various factors, including volume of traffic, TRAI Regulations and also the service provider business requirements. Further, tariff is dynamic in nature. RJIL itself is providing free connections to select customers even before commercial launch of its wireline service.
8. BSNL is undergoing upgradation of its TDM Switches to NGN. The delay in provisioning and commissioning of POIs of RJIL cannot be thrust on BSNL. Many delays are also on part of RJIL which, has laid off many of its employees in the field, so there is no coordinating officer in the field.

In view of above, the Hon'ble Authority is requested to consider the above submission made by BSNL on the subject matter.

Yours sincerely

  
(Ved Prakash Verma)  
AGM (RegIn-II)