

**CONSUMER PROTECTION ASSOCIATION
HIMMATNAGAR
DIST. : SABARKANTHA
GUJARAT**



**DRAFT
TELECOMMUNICATION MOBILE NUMBER PORTABILITY PER PORT
TRANSACTION CHARGE AND DIPPING CHARGE (AMENDMENT)
REGULATIONS, 2017**

INTRODUCTION :

MNP has been used world over for increasing the quality of service in addition to the flexibility of choosing network operator. This flexibility encourages more effective competition within the mobile industry and benefit the consumers in general.

Successful implementation of MNP is important to achieve the desired objectives. MNP success depends on number of issues like convenience of portability, minimum exit barriers but most important is **cost of portability**. It is therefore in the interest of the consumers to ensure that mobile number portability is available to the Mobile operators at **reasonable and affordable rates**. **India being a price sensitive market, high fees for number portability would definitely be a major barrier to large scale adoption of MNP.**

One of the most successful cases of MNP implementation is Finland where MNP had very strong effect on the competition in the market. In Finland MNP is

more accepted because of simple porting process, no exit barriers, high customer awareness and zero cost implication of MNP on consumers.

We strongly recommend the proposal of reducing the Mobile Number Portable (MNP) charge from Rs. 19 to 4 Rupees, As :

1. The scope of MNP is extended across the country so, the number of request also increased exponentially.
2. The upsurge in volume of porting requests in past two years, it is well in time decision to reduce the ceiling rates.
3. The number of porting requests jumped from 6.4 million during 2010 – 11 to 63.6 million (about 4.89%) during 2016 – 17.
4. The current per port transaction charge had been determined based on estimated financial data submitted by the MNPSs so many years ago. Basically computed fees dividing by the total cost to the MNPSs, by the estimated number of porting subscriber shows significant decline in the cost down.
5. Ceiling of Rs. 19 is quite high as compared to cost and volumes of transaction involved.
6. DoT mandated MNP service licensees to follow the Regulations/orders made or directions issued by TRAI under TRAI Act, 1997 or any instructions issued by the DoT from time to time.
7. In many countries, operators do not charge for MNP which is one of the main reason for large scale adoption of porting in such countries. Therefore there is strong correlation between porting charges and number of porting.
8. Low or nil MNP charge encourages operators to absorb MNP cost or pass on bare minimum amount of charges to the customers. Low or no MNP cost on subscribers would shatter major barrier for migration and encourage a healthy competition in the market.

9. To encourage large scale acceptance of MNP and achieve the MNP objectives, the porting and dipping charges should be kept at bare minimum.
10. The porting market is directly dependent on the porting fee, so this will result in large scale adoption of MNP.
11. In our study we found that consumers willingness to pay is substantially low for porting fees.
12. This porting fee will expand market and result in successful implementation of MNP. The expansion of MNP market may result in excess revenues for the MNP operator than the projections.

Thanks.

Yours faithfully,

(Dr. Kashyapnath)
President