



**RESPONSE BY PURSUITEX LLP to
Consultation Paper on
Review of the Regulatory Framework for Interconnection**

We compliment TRAI for bringing out this consultation because the Interconnection regulations and hierarchies are long overdue for a change. Our responses to the questions are furnished below.

Q.1 Whether the flexibility be provided to interconnecting operators for interconnecting PSTN to PSTN networks at SDCC/ Level II TAX (SSA)/ Level I TAX (LSA) levels as per their mutual agreements? If no, then justify your comments with reasons.

RESPONSE:

As the Consultation Paper has mentioned, the share of Fixed-line subscribers is less than 2%. Thus, creating nearly 2650 POIs per operator for terminating calls to these fixed-line users would be a serious waste of resources.

Requiring any operator to have a presence at the lowest levels (even if it has a national presence) for a POI for the small quantum of traffic is a huge entry and operational barrier. A more sensible and practical approach is to maintain interconnection at suitable locations/ levels that are fair to both originating and terminating networks. This would also avoid imposing huge costs on new operators and facilitate broadband penetration (one of the focus points of NDCP 2018).

Pursuitex welcomes TRAI's plan to simplify the interconnection regime for Fixed-line networks.

We believe that TRAI should go beyond simply providing the suggested flexibility of interconnecting PSTN to PSTN networks at SDCC/ Level II TAX (SSA)/ Level I TAX (LSA) levels as per mutual agreements. Disagreement by an incumbent operator could easily thwart the desired benefits.

Given the technological changes mentioned and the significantly lesser customers, it is almost highly improbable that any operator, new or old, would add incremental switching capacity at SDCA level. In fact, it is highly probable that a new operator would install capacity at just 1 or 2 locations in the LSA.

Thus, a lot more flexibility needs to be given to the originating network, which need not be dependent on the consent of the terminating network. Some specific suggestions are:

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1. Like an intra-circle calls from mobile to fixed network can be handed over at Level II TAX with a transit carriage charge, a fixed to fixed local call should be permitted to be handed over at the far-end Level II TAX, by incurring a transit carriage charge, but no NLD charges, at the discretion of the originating network. In other words, consent of the terminating network should not be required for terminating local fixed to fixed calls at far end Level II TAX.
2. This choice, of handing over at far end TAX, should also be available to NLDO for terminating inter-circle calls.
3. Further, fixed to fixed calls should be permitted to be handed over at Level I TAX or near-end Level II TAX by paying NLD charges besides the termination charges (which are nil now)
4. We believe there is a large case for treating all intra-circle fixed to fixed calls and mobile to fixed calls, in the same manner as intra-circle mobile to mobile calls are treated from the perspective of routing and IUC charges, wherein there should be no transit or carriage charges for intra-circle calls.

Q.2 In case of no mutual agreement between the operators, what should be the level of interconnection for interconnecting PSTN to PSTN networks be mandated in the Regulations.

RESPONSE: In case of no mutual agreement, the fall back options should be defined based on the latest architectures of new networks. Packet based networks are the norm. TDM or Circuit switched networks should be phased out as soon as possible and this is in the interest of the old operators themselves. Specific suggestions on fallback options are covered in response to Question 1 above.

Q3. Any other issue you would like to bring to the attention of the Authority.

RESPONSE:

The following are other issues which we would like to highlight here.

- 1) **National Numbering Plan:-**The national fundamental plans require to be revisited as soon as possible. This has been awaiting a review for very long. It needs to incorporate the latest developments and anticipate new advances in network topology, transmission, compression and speed and define standards/topology to accommodate these for the future.
- 2) **The architecture of existing net work:-** It must be kept in mind that the determination of the TRAI was issued nearly 19 years ago, on the basis of a network framework and hierarchy that is already outdated – based on the old PSTN network of the then incumbent, BSNL & MTNL. Large Mobile Switching Centers and digital exchanges were already making this architecture obsolete –

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the need was to provide an impetus to all existing and new players to adopt new architecture – though that had its limitations mostly in terms of cost implications, but a 20-year horizon was a big enough window to have achieved this. It is therefore submitted that the architecture for interconnecting networks should be looked at from a completely new perspective.

3) IP-based network:- As per TRAI, Deployment of IP-based networks and new Unified licensing regime enables operators to provide all types of services under a single license and from the same switch and hence we submit that there is an urgent need to redefine and restate the interconnection hierarchies and mechanisms of the past which continue to define the regulatory/licensing norms. A more sensible and practical approach is to maintain interconnection at suitable locations/levels that are fair to both. The carriage should be left for mutual discussion as IP traffic cost of carriage is negligible. This would also avoid imposing huge costs on new operators and facilitate broadband penetration.

Given the above development, the extent interconnection arrangement and regulation calls for drastic overhauling so as to match the present and future requirement in the era of NGN and new Technologies.

We thank TRAI in giving this opportunity to respond to this consultation paper. We hope our suggestions will be taken into account while finalizing the Regulation. We will be happy to provide any further clarification /information, if required , in this regard.

Thanks and Sincere regards

For **Pursuitex Advisory Services LLP.**

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