

Subject: **Review Of IUC**

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The Chairman,
Telecom Regulatory Authority of India,
Mahanagar Doorsanchar Bhawan Next to Zakir Hussain College, Jawaharlal Nehru Marg, New Delhi: 110 002
Subject: : Comments on TRAI's Review of Interconnection Usage Charge

Dear Sir,

We would like bringing to your notice that recently the Telecom Regulatory Authority of India (TRAI) has issued a discussion paper on deferring the implementation of the zero-interconnect usage charges (IUC) regime that was about to be introduced from January 2020 on the ground that individuals are still to migrate entirely to data calls and that the imbalance in voice traffic between operators still exists.

Interconnect charge is actually paid by the call originating telecom operator to the destination operator. But under the proposed BAK system, which in turn is actually planned to take effect from January 2020, the call originating telco, that also bills the user, would maintain the cash, thus making it a zero-IUC regime, which will benefit the customer.

TRAI had sought stakeholder views on the desire to "revise the applicable January 2020 date for implementing the BAK (bill and also keep) or zero-termination charge regime.

As we understand the implementation of the Bill & Keep regime by the Telecom Regulatory Authority of India (TRAI) is going to help more in making services much more affordable for Indian customers than once more going back again to Interconnection User Charge regime.

The TRAI earlier had slashed mobile termination charges to six paise from fourteen paise effective from October one, 2017. The regulator was advertised to phase out IUC regime from January one, 2020. The TRAI also assured that further, the price of termination of calls will drastically come down over a period of 2 years and also tiny residual value, if any, can be absorbed by the TSPs in their tariff offerings. As a result, the TRAI prescribed a Bill and also Keep regime for the wireless to wireless calls effective from 1st Jan, 2020.

The Bill and Keep Regime needs to have been implemented in 2014 as envisaged in the 2011 Report submitted by TRAI to the Hon'ble Supreme Court. Any decision to bring a change in the policy is going to lead to violation of Supreme Court judgment and have an effect on the pockets of the customer. We're positive that the BAK regime will usher in consumer advantages and also bring in technology upgradation in services offered to the customers.

The argument offered with regard to high asymmetry of traffic between a huge 4G only operator and also the various other operators are made to help the telecom operators than the customers. We think the TRAI, in order to guarantee an orderly progress of the telecom sector, had given plenty of time and opportunity to upgrade the technology and move towards 4G and 5G services.

However, as has been seen, few telecom operators have not upgraded their respective technologies and forced the consumers to be in 2G and 3G era. This has also resulted in paying high rates for voice minutes which harms the interests of the Indian consumer.

We think that development of BAK regime will put an end to impacts in tariffs that are in a linear in IUC regime. As a result, if IUC is actually reduced, consumer tariff is going to come down to a substantial degree.

Second, Voice over Long Term Evolution (VoLTE) has already taken over in India to a large extent, and it forms the other element of the total telecom market; the current IUC regime is actually a hindrance in the adaption of VoLTE technology.

In view of the above, we are of the opinion that TRAI's fresh consultations on Inter Connection Usage (IUC) Regime is anti-consumer and unlike to help you in growth of the telecom sector in India. For larger interest of the land, we look at the government must move forward and introduce Bill and Keep Regime.

Look forward to your kind intervention.

Thanking you.

With regards

Adithya Bhat

Manglore