

For Immediate release

**Telecom Regulatory Authority of India**

**Information note to the Press (Press Release No.13/2015)**

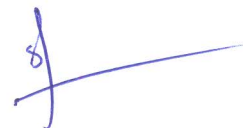
**TRAI issues Regulations on Termination Charges**

**New Delhi, 23<sup>rd</sup> February, 2015**, The Telecom Regulatory Authority of India (TRAI) today issued the “Telecommunication Interconnection Usage Charges (Eleventh Amendment) Regulations” which prescribe revised domestic termination charge (Mobile Termination Charges and Fixed Termination Charges) and International Termination Charges.

2. Domestic termination charges are the charges payable by a Telecom Service Provider (TSP) whose subscriber originates the call, to the TSP in whose network the call terminates. In the prevailing Calling Party Pays (CPP) regime, the calling party subscriber pays for the call to his TSP who, in turn, pays termination charges to the called party’s TSP to cover the interconnection/network usage costs. International Termination Charges (ITC) are the charges payable by an International Long Distance Operator (ILDO), which is carrying calls from outside the country to a TSP in the country in whose network the call terminates.

3. Key features of the Regulations are as follows:

- Mobile Termination Charge (MTC) for all calls originating from wireless network has been reduced from 20 paise per minute to 14 paise per minute;
- To promote investment and adoption of wireline network (so that they become an effective vehicle for delivery of high speed internet in the country) the Authority has decided to prescribe Fixed Termination Charges (FTC) as well as MTC for wireline to wireless calls as zero. Accordingly,



- MTC for all calls originating from wireline has been set to zero;
- FTC for all calls originating either from wireline network or from wireless network has been set to zero;
- Termination charge for international incoming calls has been increased to 53 paisa per minute from existing 40 paisa per minute;

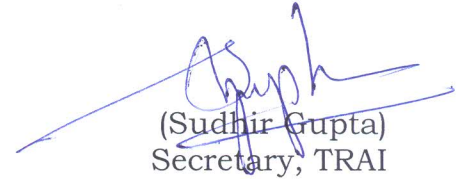
4. The prevailing Interconnection Usage Charge (IUC) Regulation was notified on 9<sup>th</sup> March, 2009 and came into effect from 1<sup>st</sup> April, 2009. In the past, revision in the IUC regime has been undertaken on a regular basis with an interval of 2-3 years. However, as the matter was pending before the Hon'ble Supreme Court since 2010, the IUC review could not be conducted though it was due. As a significant amount of time (five years) has elapsed since the last review, the Authority initiated this review of the IUC regime in November, 2014.

5. As a precursor to the exercise, the Authority asked TSPs to submit information related to network usage and costs. Subsequently the Authority issued a consultation paper on 19.11.2014 to seek the views of the stakeholders on various aspects of the IUC. Stakeholders were asked to submit written comments by 11.12.2014 and counter-comments by 18.12.2014. On the request of some stakeholders, the dates for submission of comments and counter-comments were extended up-to 22.12.2014 and 29.12.2014 respectively. Written comments were received from two industry associations, 15 TSPs and 47 other stakeholders, including companies, organizations, firms and individuals. Counter-comments were received from six TSPs and one individual. An Open House Discussion was held on 09.01.2015 in Delhi with stakeholders.

6. On the basis of comments received from stakeholders either in writing or during the Open House Discussion, the Authority has prescribed revised domestic and international termination charges through these Regulations.

7. Full text of the “Telecommunication Interconnection Usage Charges (Eleventh Amendment) Regulations” are available on TRAI’s website: [www.trai.gov.in](http://www.trai.gov.in).

8. For any information/ clarification Mr. Arvind Kumar, Advisor (NSL), may be contacted at Tel. No.91-11-23220209 Fax No.91-1123230056.



(Sudhir Gupta)  
Secretary, TRAI