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Sub: Comments on TRAI Draft Telecommunication Tariff (Seventieth Amendment) Order, 2024

Dear Sir,

Kindly find attached herewith comments on TRAI Draft Telecommunication Tariff (Seventieth Amendment) Order, 2024 for your kind consideration.

For AA+ Consultants



Praveen Sharma
CEO

Comments on TRAI Draft Telecommunication Tariff (Seventieth Amendment) Order, 2024

We would like to thank the Authority for giving the opportunity to respond to this draft TTO (70th Amendment) regarding tariff for PM -Wani scheme and particularly for Public Data Office under PM-WANI scheme.

The said draft TTO is proposed to be issued in exercise of powers under Section 11(2) of the TRAI Act which is power regarding notification by Order the rates at which the telecommunication services within India shall be provided read with Section 11(1)(b) (i) of the TRAI Act which is its function to ensure compliance of terms and conditions of licence.

Tariff & Subscriber has been defined in the TTO 99 as under:

r. "Tariff(s)" mean(s) rates and related conditions at which telecommunication services within India and outside India may be provided including rates and related conditions at which messages shall be transmitted to any country outside India, deposits, installation fees, rentals, free calls, usage charges and any other related fees or service charge

o. "Subscriber" means an end user of telecommunication services.

Public Data Office is defined as an entity which will establish, maintain, and operate PM-WANI compliant Wi-Fi Hotspots and provide last-mile connectivity to deliver Broadband services to subscribers by procuring internet bandwidth from telecom service providers and/ or internet service providers. Reference: <https://pmwani.gov.in/wani> . Public Data Offices (PDO) are internet booths who will establish, maintain and operate only WANI compliant Wi-Fi Access Points and deliver broadband services to subscribers. Keeping in mind the model of PCO (Public Call Office) booths across India, PDOs are designed with a similar business model.

It may be noted that Section 11(2) proviso also empowers TRAI to notify different rates for different persons or class of persons for similar telecommunication services and where different rates are fixed as aforesaid the Authority shall record the reasons therefor. Different persons or class of persons here means different class of subscribers.

It is our submission that power to notify rates is in respect of end user of telecommunication service under Section 11(2) which is clear from the definition of term "subscriber" and Section 11(2) does not and cannot govern rates at which one Service Provider (TSP/ISP) provides services to another service provider (PDO) as PDO does not get covered under the term subscriber as defined in TTO 99.

In fact, PDO is also an entity which provides broadband services to subscribers in conjunction with PDOAs through WANI compliant Wi-Fi Access Points and they are therefore directly in competition to the TSPs/ISPs for provision of broadband services. In such a scenario, it may not be appropriate to regulate the tariffs at which wholesale internet services is provided by ISPs/TSPs to the PDOs. Such kind of interconnects in internet ecosystem are never regulated and peering is generally left for the market forces to govern.

PDOs in conjunction with PDOAs are acting as resellers of the internet access provided by ISPs/TSPs in much similar manner as UL-VNO-ISPs and UL-VNO-AS resell the internet services of their parent NSO

UL-ISP or UL-AS. For all the right reasons TRAI has stayed its hand in determining wholesale tariff price of NSOs for any of the services as it would directly interdict the right to do business of NSOs under their license and would be against the constitution principles enshrined in Article 19(1) (g) of the Constitution.

Draft TTO states that 'Tariff for Public Data Office under PM-Wani scheme shall be same as is applicable for retail broadband (FTTH) connection'. The Authority has proposed that for the purpose of providing PMWANI scheme, PDOs may be charged tariff rate at par with the tariffs for retail broadband (FTTH) connections, for the capacities for which the said retail tariff is being offered to subscribers by the service providers. It is not clear as to how with a retail broadband connection PDO would be able to support multiple broadband connections over Wi-Fi and rationale for providing retail connection to non-subscriber PDO who in fact is a service provider albeit without registration /authorization. Secondly no rationale has been provided for the proposed tariff as this is not a tariff for the end customer. Moreover, TRAI has not taken note of the fact that TSPs/ISPs are directly in competition with PDOs and any order giving undue advantage to one against the other and may not be therefore fair and against the spirit of Competition Law.

One of the premises of the draft TTO is stated to be that "TSPs/ISPs insist on PDOs to connect public Wi-Fi Access Points using expensive Internet Leased Line instead of regular FTTH Broadband connection" as per DoT letter. Neither DoT letter nor any proof in respect of such insistence has been provided. It would be in the fitness of the things and for the reasons of adhering to the principles of transparency, as stipulated in Section 11(4) of the TRAI Act that such material may also be placed on record during the consultation process for the information of the stakeholders.

In view of above it is requested that draft TTO should not be issued for reasons as mentioned aforesaid.