23rd April 2025

Shri Sameer Gupta,
Advisor (NSL -1)
Telecom Regulatory Authority of India
4th, 5th, 6th & 7th Floor, Block-F
World Trade Centre, Nauroji Nagar
New Delhi – 110029

Subject: Pre-Consultation Paper on Review of existing TRAI Regulations on Interconnection matters.

Dear Sir,

This is in reference to the Pre-Consultation Paper issued by the Authority on 3rd April 2025 regarding "Review of existing TRAI Regulations on Interconnection matters".

In this regard, we, Tata Teleservices Limited (TTSL) and Tata Teleservices (Maharashtra) Limited [together called "TTL"] hereby enclose our inputs to the pre-consultation Paper on the above-mentioned subject.

We believe TTL response will be given due consideration.

Thanking you and assuring you of our best attention always.

Thanking you,

Yours sincerely

Mukesh Dhingra
General Manager – Corporate Regulatory Affairs
Tata Teleservices Limited
And
Authorized Signatory
For Tata Teleservices (Maharashtra) Limited

23rd April 2025

At the outset, Tata Teleservices Limited and Tata Teleservices (Maharashtra) Limited [together called "TTL'] express our sincere gratitude to Telecom Regulatory Authority of India (TRAI) for releasing the Pre-Consultation Paper on "**Review of existing TRAI Regulations on Interconnection Matters**," for the stake holders' comments.

We, TTL, would like to thank the Authority for providing us an opportunity to share our inputs on this critical subject pertaining to Interconnection matters, our submissions are basis the below understanding:

1. **Level playing field to be promoted in agreements**
2. **The interconnect framework should be based on cost-based charging**

There are few critical areas which needs to be addressed with respect to:

- **a.** POI charges (Port, infra, duct, setup)
- **b.** Emergency service charges
- **c.** Surrender charges
- **d.** IP interconnection timelines between PSTN and Mobility operators including, inter operator codec negotiations and charging mechanism.
- **e.** Consolidated documentation covering latest regulations.

A. <u>LSA Based Interconnection:</u>

i. TRAI regulation 2020, allows access providers to move from SDCA to LDCA POI. With the latest recommendation it is it proposed by TRAI to implement LSA based POI interconnection. While implementing this scheme of thing there should be level playing approach to be adopted across access providers specially BSNL

B. <u>IP-Based Interconnection:</u>

i. It is well known fact that TDM POI is a legacy mode of interconnection and moving to IP based interconnection at circle level is to be mandated as it is challenging for wireline operators like TTSL to invest in TDM based network due to following reasons:

   a. OEMs are not supplying TDM gear

b. Other OEM like UTStarcom, which is yet to get trusted, are not able to supply TDM capacities leading to challenges for operator like TTL.

ii. W.r.t to IP POI with BSNL, while BSNL is consolidating its network to IP-TAX, but IP interconnection is still not initiated with BSNL. It makes a case for time bound IP interconnection at LSA level.

iii. There are other challenges while initiating IP interconnection between PSTN only and mobility operators, where codec level negotiation needs to be addressed as part of interconnection as PSTN network does not use AMR codec in its network. Therefore, codes like G.711 which is used for wireline networks should be mandated for mobility operators for IP based interconnection.

Telecommunication Interconnection Regulations, 2018:

a. **BSNL's Classification of Other TSPs as Perpetual Seekers**

I. As per the 2018 TRAI regulation, the seeker is responsible for the interconnection cost for both incoming and outgoing traffic during the first two years. Beyond this period, each TSP must cover the cost for its outgoing traffic, including transmission media.

II. However, under the existing interconnection agreements with BSNL (except in Delhi and Mumbai), other TSPs continue to be classified as seekers and are still paying POI infrastructure costs beyond the two-year period, as BSNL treats them as perpetual seekers.

III. We request TRAI to issue clear directives to BSNL, affirming that no TSP should be treated as a perpetual seeker. After the mandatory two-year period, each TSP should be responsible for covering interconnection costs for its outgoing traffic, including transmission media, POI infrastructure costs and port charges.

b. **TRAI to review the regulation (amendment dated July 5, 2018) for payment of POI infrastructure and port charges prior to February 01, 2018**

i. According to TRAI's amended regulation (August 2018), TSPs are required to continue paying for POI infrastructure and port charges for interconnections established before 2018.

ii. However, TRAI's own regulation states that after the initial two-year period, all ports should be converted to one-way basis outgoing traffic ratio of past 2 months and each TSP should bear the cost of its outgoing traffic.

TATA TELESERVICES LIMITED
Level 3, Max Towers, Plot No. C-001/A/1, Sector 16B, Noida - 201301
Tel.:0120-6901001, Fax : 0120-6901005 Website www.tatatelebusiness.com. E-mail-1515@tatatel.co.in
Registered Office: 10th Floor, Tower 1, Jeevan Bharati, 124 Connaught Circus, New Delhi-110001
CIN-U74899DL1995PLCO66685

iii. The purpose of converting the ports to one-way is to allow each operator to manage its own outgoing traffic independently, thereby reducing dependency on others and minimizing cost burdens. Considering that most of the ports commissioned with BSNL were established before 2018 and are 2-way ports, this objective is undermined if private operators are required to continuously pay for both their own and BSNL's outgoing traffic indefinitely.

iv. Hence, we submit that the TSPs should not be required to pay port and infrastructure charges following the conversion of ports to one-way traffic, as these facilities are being maintained by the TSPs at their own expense.

c. POI Infrastructure Charges:

I. POI establishment is bilateral and should be level playing on cost. Current arrangement with BSNL needs mandate so that it becomes business viable case and proliferation of network reaches to masses.

II. Below table gives clear inputs on the charges levied on infra cost with 10% increment every year, which is deterrent to rollout in tier-2, 3. Even for Tier-1 it is non-viable with this cost.

Year	City Type X (in Lac ₹)	City Type Y (in Lac ₹)	City Type Z (in Lac ₹)
2010	3.14	2.76	2.26
2025	16.42	14.4	10.4

Given the excessive and unreasonable nature of these charges, we urge TRAI to regulate them at the earliest.

d. **Abolition of Transit Carriage Charges:**

i. The Indian telecommunications sector has successfully transitioned to a Bill and Keep (BAK) regime for domestic Interconnection Usage Charges (IUC), effectively eliminating termination charges between operators. This shift has simplified inter-operator settlements and removed a key source of disputes among service providers.

ii. Given the current fixed-line traffic patterns, private operators already handle BSNL's outgoing traffic, rendering these charges obsolete and irrelevant.

iii. BSNL's continued imposition of transit carriage charges is an outdated practice within an otherwise modernized interconnection framework. These charges no longer have economic justification, as network architectures and traffic dynamics have evolved significantly.

iv. The imposition of these charges creates an unjustified financial burden on other service providers, as the rates often appear arbitrary and disconnect from actual network costs. This contradicts the regulatory push toward simplifying and rationalizing the interconnection charges.

v. To align with modern network structures and traffic flows, the regulatory framework should eliminate transit carriage charges. Their removal would reflect actual cost structures, promote fairer interconnection practices and simplify inter-operator settlements without impacting network performance. Since transit charges no longer correspond to real costs or investments, abolishing them would enhance transparency and encourage efficient network investments.

vi. We urge the Authority to take decisive action to eliminate transit carriage charges and modernize India's interconnection regime for a fair and efficient telecom ecosystem.

e. **Surrender of POIs:**

i. BSNL agreements are made one sided benefiting BSNL, with no scope of modification which needs to be mandated considering BSNL as one of the access providers.

ii. In case surrendering of POI is requested, TSP are liable to make payment for the underutilized, non-operational ports, even though they have been put up for surrender.

iii. Therefore, to ensure that the process for surrender of PoIs is simplified and completed in a time-bound manner, we strongly urge TRAI to regulate the process, formats, timeline and costs of surrender of POIs through suitable provisions incorporated in the TIR. If BSNL doesn't respond in a defined period, then there should be no charges applicable for the said POI/ports and the private TSP should be free to remove its related equipment.

TATA TELESERVICES LIMITED
Level 3, Max Towers, Plot No. C-001/A/1, Sector 16B, Noida - 201301
Tel.:0120-6901001, Fax : 0120-6901005 Website www.tatatelebusiness.com. E-mail-1515@tatatel.co.in
Registered Office: 10th Floor, Tower 1, Jeevan Bharati, 124 Connaught Circus, New Delhi-110001
CIN-U74899DL1995PLCO66685

C. <u>SMS Termination charges Regulations, 2013:</u>

i. SMS IUC termination charges need to be reviewed to reduce further so that we can offer competitive prices in the market.

ii. A2P business is moving to OTT which need to be controlled under TRAI regulation as OTT players are offering messaging service without any obligation and cost. It gives undue advantage to such players to offer better pricing without UCC regulations.

D. <u>Intelligent Network Services in Multi-Operator and Multi-Network Scenario Regulations, 2006:</u>

i. Current agreements w.r.t TFN and associated IUC is almost 16 years old and while service adoption and usage has grown over the last few years, no changes have been made to existing IUC contracts to benefit the customer and accelerate the growth of the service. During the time for the betterment of customers and increased service adoption, IUC for Wireless service was reduced from 30p in 2004 to 20p in 2009 to 14p from 1st Oct'17 and made zero from 1st Jan'2019 and same for Fixed voice service from 30p to 20p to Zero.

ii. One of the primary reasons for very low penetration levels (<1%) in IN services is high cost of service due to high IUC cost.

iii. In case of BSNL, IUC payout is more Vs receivables for the same type of call.

iv. Therefore, Current IUC need to be reduced to **20p** or make Zero from existing 52p to offer best pricing for the Enterprises and SME Customers. It will help to boost the penetration of the Toll-Free services which is a mandatory solution for Banking.

E. <u>The Telecommunication Interconnection (Port Charges) Regulation, 2001:</u>

i. The current port charges are regulated by the *Telecommunication Interconnection (Port Charges) (Second Amendment) Regulations, 2012*, issued on September 18, 2012. The prescribed charges are as follows:

Coverage	Port Charges (₹ Per port per annum) for MSC	Port Charges (₹ Per port per annum) for Tandem TAX Switch
Other than Internet Port Charges	4,000	10,000

ii. To bring level playing field, port charges need to be removed as it is both way traffic between operators and respective operators should be able to support their own outgoing traffic on its media.

Other Interconnection points for consideration

Apart from the above, we would like to highlight the following other issues, which are as follows:

A. Emergency Services Charges:

i. Emergency level services like Police, Ambulance and Fire Departments are provided as part free of cost to end customers as per licence requirements and currently routed via BSNL/MTNL.

ii. With the proliferation of mobile network there are hardly any call volume from wireline subscribers towards emergency services, which justify the cost charged by BSNL on routing of such services.

iii. Over time, centralized Emergency Response Support System (ERSS) centers have been established and most Telecom Service Providers (TSPs), including BSNL, now route emergency service calls through their own networks. However, some emergency services, such as 102 and 108, remain decentralized. Many emergency service providers prefer not to manage multiple telecom resources across various operators, making it necessary for other TSPs to route these calls via BSNL/MTNL.

iv. We request TRAI to mandate that BSNL/MTNL charge only the applicable Interconnection Usage Charge (IUC) for emergency services on a per-call basis.

B. <u>Miscellaneous Charges:</u>

i.Software Charges/Port Set-up Charges:

a. One-time setup charges at the time of POI configuration in BSNL node is ₹ 10,000/- per E1s with upper limit of ₹ 1,00,000.00. Even though the amount of work to be carried out for POI configuration at both the ends is same, still BSNL charges TSPs for the configuration done by BSNL in its node.

b. We submit that these charges should be discontinued immediately as all interconnects presently are both ways.

ii. **Shifting charges when point code is changed at operator end**:

a) Any Signaling point code change request made by TSP to BSNL is charged by BSNL at a rate of ₹ 10,000/- per E1s subject to maximum limit of ₹ 100,000/-.

b) However, BSNL does not pay any similar amount to TSPs in case there is a requirement of change of Signaling Point Code at BSNL's end.

c) We submit that the reciprocity principle should be implemented, w.r.t shifting charges to ensure fairness in the procedure.

C. <u>Implementation of Reciprocity Principles:</u>

i. The existing port charge framework lacks mandatory reciprocity in both port charges and financial instruments such as Bank Guarantees. Additionally, service providers are often subjected to higher interest rates on delayed payments to BSNL which need to be reviewed. Alternatively, Bank Guarantee can be made with some threshold of MoU cost e.g. cost more than >50K only will require BG

ii. The terms and conditions related to billing, payments, reconciliation and dispute resolution need to be mandated among all operators through a defined process.

TATA TELESERVICES LIMITED
Level 3, Max Towers, Plot No. C-001/A/1, Sector 16B, Noida - 201301
Tel.:0120-6901001, Fax : 0120-6901005 Website www.tatatelebusiness.com. E-mail-1515@tatatel.co.in
Registered Office: 10th Floor, Tower 1, Jeevan Bharati, 124 Connaught Circus, New Delhi-110001
CIN-U74899DL1995PLCO66685