

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:1180
ANSWERED ON:21.03.2012
CALL TERMINATION CHARGES
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the details of cost of termination charges for both domestic and international calls as per the Telecom Regulatory Authority of India (TRAI) guidelines;
- (b) whether the TRAI is deviating from its established principle of termination charges on the basis of cost to benefit certain selected operators;
- (c) If so, the details thereof and the reasons therefor;
- (d) whether the Government has asked TRAI to look into these aspects and frame a policy; and (e) if so, the details thereof and the time by which a final decision in this regard is likely to be taken?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a)to(c) Madam, Telecom Regulatory Authority of India (TRAI) has issued `The Telecommunications Interconnection Usage Charges (Tenth Amendment) Regulations, 2009 (2 of 2009) dated 9th March 2009` wherein the termination charge for domestic calls and international incoming calls has been fixed as 20 paise per minute and 40 paise per minute respectively. Interconnection Usage Charges (IUC) are wholesale charges payable by one telecom operator to the other for use of the latter's network for originating, terminating or transiting/carrying a call. These charges are usually based on cost and indicate a fair compensation for use of one service provider's network resources by another service provider.

(d) & (e) Some of the Telecom Service Providers challenged the IUC regulations dated 09.03.09 before the Telecom Disputes Settlement & Appellate Tribunal (TDSAT) on various grounds. Hon'ble TDSAT vide its judgment dated 29th September 2010 has inter-alia directed TRAI to consider the matter afresh. TRAI has filed statutory Civil Appeal under section 18 of the TRAI Act, 1997 against Hon'ble TDSAT's judgment dated 29 September 2010 on various technical and legal grounds. Meanwhile, to review the termination charges, TRAI issued Pre Consultation paper on 24.12.2010 and consultation Paper titled `Review of Interconnection Usage Charges` on 27.04.2011. Following elaborate consultation process, a report has been filed by TRAI in Hon'ble Supreme Court of India on 31.10.2011 in compliance with its order dated 29.07.2011 in Civil Appeal No. 271-281/2011. The matter is subjudice in the Supreme Court of India.