
TELECOMMUNICATION INTERCONNECTION (CHARGES AND REVENUE SHARING) REGULATION, 2001

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TELECOMMUNICATION INTERCONNECTION (CHARGES AND REVENUE SHARING) REGULATION, 2001

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1. Short title, extent and commencement. :-

(i) This regulation shall be called "the Telecommunication Interconnection (Charges and Revenue Sharing) Regulation, 2001" (the Regulation).

(ii) The regulation shall cover arrangements among service providers for interconnection charges and revenue sharing, for Telecommunication Services, including wireless in local loop with limited mobility [WLL(M)], throughout the territory of India, as also those originating in India and terminating outside India.

(iii) The regulation shall be deemed to have come into force with effect from the date of notification in the Official Gazette.

2. Definitions. :-

In this regulation, unless the context otherwise requires:

(i) "Act" means the Telecom Regulatory Authority of India, 1997 as

amended by TRAI (Amendment) Act. 2000.

(ii) "Authority" means the Telecom Regulatory Authority of India.

(iii) "Basic Telecommunication Services" means services derived from Public Switched Telephone Network (PSTN).

(iv) "Ceiling(s)" mean(s) the upper limit(s) for interconnection charge for telecommunication services as may be specified by the Authority from time to time.

(v) "Domestic Long Distance Telecommunication Service" or DLD means the telecommunication services required to connect one local area of a public telecommunication network to another within the territorial limits of India so as to allow for transmission of voice and non-voice signals across different geographical areas.

(vi) "Floor" means the lower limit of interconnection charges for a telecommunication service as may be specified by the Authority from time to time below which such charges may not be offered.

(viii) "Forbearance" denotes that the Authority has not, for the time being, notified any interconnection charge or revenue sharing arrangement for a particular telecommunication service and the service provider is free to fix any charge for such service.

(viii) "Interconnection" means the commercial and technical arrangements under which service providers connect their equipment, networks and services to enable their customers to have access to the customers, services and networks of other service providers.

(ix) "Interconnection Charge" means the charge for interconnection by an interconnection provider to an interconnection seeker.

(x) "Interconnection Provider" means the service provider to whose network an interconnection is sought for providing telecommunication services.

(xi) "Interconnection Seeker" means the service provider who seeks interconnection to the network of the interconnection provider.

(xii) "International Long Distance Telecommunication Service" means telecommunication services required to connect a local area of a public telecommunication network within India to a local area of a public telecommunication network in another country so as to allow for the transmission of voice and non-voice signals.

(xiii) "International Subscriber Dialing" (ISD) means direct interconnection between an end user in India with another end user in another country by means of direct dialing through public networks.

(xiv) "Leased Circuits" means telecommunication facilities leased to subscribers or service providers to provide for technology transparent transmission capacity between network termination points which the user can control as part of the leased circuit provision and which may also include systems allowing flexible use of leased circuit bandwidth.

(xv) "Non-discrimination in interconnection charge" means that service providers shall not, in the matter of interconnection charges, discriminate between service providers except on the basis of substantial cost-differential, and that too only to the extent justified by such cost differential.

(xvi) "Order" means the Telecommunication Tariff Order, 1999.

(xvii) "Originating Network" means the network to which an originator of a telecommunication message is proximately connected to.

(xviii) "Originating/Transit/Terminating Service Provider" means the service provider whose network is used for originating/transit/terminating a telecommunication message respectively.

(xix) "Regulation" means the Telecommunication Interconnection (Charges and Revenue Sharing) Regulation, 2001.

(xx) "Reporting Requirement" means the obligation of a service provider to report to the Authority at least 45 working days before implementing any new interconnection charge and revenue sharing arrangement for telecommunication services under this regulation and any changes thereafter.

(xxi) "Set-up Costs of Interconnection" means the initial cost of any engineering work needed to provide the specific interconnection facilities requested.

(xxii) "Subscriber Trunk Dialing" (STD) means direct interconnection between two end users within India by means of direct dialing through public networks.

(xxiii) "Terminating Network" means the network to which a receiver of a telecommunication message is proximately connected to.

(xxiv) "Transit Network" means the network through which telecommunication messages from originating networks or other transit networks are transmitted and delivered to terminating or other transit networks.

(xxv) "Usage Charge" means the charge levied by a service provider for carriage of telecommunication traffic on its network.

(xxvi) "WLL(M)" means limited mobility telephony service using wireless in local loop technology within a short distance charging area.

(xxvii) Words and expressions used in this regulation and not defined but defined in the Act shall have the same meanings respectively assigned to them in the Act.

3. Interconnection Charges. :-

(i) Interconnection charges shall be cost based, unless as may be specified otherwise.

(ii) For determining cost based interconnection charges, the main basis shall be "incremental or additional" costs directly attributable to the provision of interconnection by the interconnection provider.

(iii) No service provider shall discriminate between service providers in the matter of levying of charges for interconnection :

Provided that a different charge may be levied if justified on the basis of a substantial difference in costs incurred for providing that particular interconnection.

(iv) No service provider shall be charged for any interconnection facility it does not seek or require :

Provided that if interconnection facility cannot be provided in the form that is sought or required by the interconnection seeker, the issue may be decided mutually between the seeker and provider of interconnection. In case such mutual agreement is not possible, the matter may be reported to the Authority for a decision. The interconnection provider shall inform the interconnection seeker within 30 days of the request for interconnection facilities whether the facilities can be provided in the form sought or required by the

interconnection seeker.

(v) In the absence of a mutual agreement between the interconnection provider(s) and the seeker(s), in respect of charges for the elements of the network used to provide interconnection, charges for the elements of the network used to provide interconnection will be as specified by the Authority from time to time. In the event mutual agreement is not arrived at in respect of the interconnection sought and/or charges therefor, within 30 days from the date of such request, both the parties will approach TRAI with the details of their network element costs and traffic particulars for a determination in the matter. Pending such a determination the existing arrangement, if any, will continue.

(a) The existing charging arrangements, if any, between the interconnection seekers and interconnection providers shall hold good until changed with the concurrence of the Authority. or on the basis of a regulatory determination.

(vi) Unless specifically so provided, the Authority has forborne with respect to interconnection charges.

(vii) Where the Authority has, for the time being, forborne from specifying interconnection charges, interconnection seekers and providers shall mutually decide on such charges.

(viii) Interconnection charges mutually agreed among interconnection seeker and provider shall be based on the principles enunciated in this section.

(ix) Where mutual agreement for interconnection charges cannot be reached within 30 days of initiating such a process for charges with respect to which the Authority has forborne, the Authority may intervene to settle the matter suo moto or on the application of either party.

4. Revenue sharing Arrangements. :-

(i) Any revenue sharing among interconnection seeker and interconnection provider shall take place out of the proceeds of the amount payable by the subscriber for obtaining the service which involves the usage of the network of the interconnection provider.

(ii) Unless specifically provided in the Schedules to this regulation, the Authority forebears with respect to revenue sharing arrangements.

(iii') Where the Authority has, for the time being, forbore from specifying revenue sharing arrangements for any telecommunication service or pan thereof, service providers shall mutually decide on such arrangements.

(iv) Where mutual agreement for revenue sharing cannot be reached within 30 days of initiating such a process for revenue sharing with respect to which the Authority has forbore. the Authority may intervene to settle the matter suo moto or on the application of either party.

(v) In the absence of a mutual agreement between the interconnection provider(s) and the seeker(s), in respect of revenue sharing, the revenue sharing will be as specified in the Schedules to this regulation. In the event mutual agreement is not arrived at in respect of the interconnection sought and/or revenue sharing therefore, within 30 days from the date of such request, both the panics will approach TRAI with the details of their network element costs and traffic particulars for a determination in the matter. Pending such a determination, the existing arrangement, if any, will continue.

(a) The existing arrangements, if any, between the interconnection seekers and interconnection providers shall hold good until changed with the concurrence of the Authority. or by a regulatory determination.

5. Reporting Requirement. :-

(i) All service providers shall comply with the reporting requirement in respect of interconnection charges and revenue sharing arrangements specified for the first time under this regulation, as also all subsequent changes. This includes interconnection charges and revenue sharing arrangements that are decided on a mutual basis among service providers.

(ii) The service provider may implement the proposed interconnection charges and revenue sharing arrangements after the mandatory notice period of 45 working days, unless the Authority within such period directs otherwise.

Except that an additional period of 45 days is provided for interconnection charges and revenue sharing arrangements to be reported to the Authority for the first time after the implementation of this regulation.

(iii) When an interconnection provider informs the interconnection seeker that it cannot provide interconnection as sought for by the latter, the interconnection seeker, within 45 days of being so informed may approach the Authority for seeking its intervention.

(iv) No service provider shall alter any interconnection charge or revenue sharing arrangement, or any part thereof, without complying with the reporting requirement.

6. Review. :-

(i) The Authority may, from time to time, review and modify an interconnection charge and/or revenue sharing arrangements.

(ii) The Authority may also at any time, on reference from any affected party, and for good and sufficient reasons, review and modify any interconnection charge or revenue sharing arrangements.

7. Explanatory Memorandum. :-

This regulation contains at Annexure A. an explanatory memorandum to provide clarity and transparency to matters covered under this regulation.

8. Interpretation. :-

In case of dispute regarding interpretation of any of the provisions of this Regulation, the decision of the Authority shall be final and binding.

SCHEDULE 1

SCHEDULE 1

	Item	Revenue sharing for Basic Services
(1)	Date of Implementation	By 31st January, 2002
(2)	Coverage	Calls originating in a basic service provider's network and transmitted through or terminated in another basic service provider's network.
(3)	Local calls	Bill and keep for each service provider.
(4)	Domestic long distance calls (STD calls) in Basic Service	The originating/transit service provider to pay Rs 0.48 per unit of measured call for traffic delivered from its network to the network of the transit/terminating service provider for the call units measured at the point of interconnection for its further carriage from the point of interconnection to destination based on the STD pulse rate.
(4)	Domestic long distance	The originating service provider to pay Rs 1.14

(4. A)	Domestic long distance calls (STD calls) in Wireless in Local Loop with limited mobility [WLL(M)]	The originating service provider to pay Rs 1.14 per unit of measured call for traffic delivered from its network to the network of the transit service provider for the call units measured at the point of interconnection for its further carriage from the point of interconnection to destination, based on the STD pulse rate : Provided no such charge either in (4) or (4. A) above shall be payable if the point of interconnection is at the destination Short Distance Charging Area (SDCA) and also provided that no such charge will be payable if the terminating service provider requests that the call be handed over by the originating/transit service provider at an SDCA other than the destination SDCA.
(5)	International calls in Basic Service	The originating service provider to pay Rs 0.66 per unit measured call to the transit service provider as may be applicable, for the call units to be measured at the point of interconnection.
(5. A)	International calls in Wireless in Local Loop with limited mobility [WLL(M)]	The originating service provider to pay Rs 1.14 per unit measured call to the transit service provider as may be applicable, for the call units to be measured at the point of interconnection.

SCHEDULE 2

INTERCONNECTION CHARGE AND REVENUE SHARING

	Item	Revenue sharing for Cellular Mobile
(1)	Date of Implementation	By 31st January, 2002
(2)	Coverage	Calls originating in a cellular mobile service provider's network and transmitted through or terminated in another service provider's network.
(3)	Local calls from cellular mobile to basic service subscriber	Payment to basic service provider at the rate of 1.14 per metered call, with number of metered calls measured at the pulse rate applicable to a basic service local call.
(4)	Domestic long distance calls from cellular mobile to basic service subscriber	Payment to basic service provider at a rate applicable to domestic long distance calls. The charge shall be Rs 1.14 per metered call, with the number of metered calls measured at the pulse rate applicable to basic service long distance calls, with the chargeable distance equal to the distance of the call carried by the basic service provider for an equivalent STD from point of interconnection to destination.
(5)	International calls from cellular mobile	Payment to basic service provider at a rate applicable to international calls. The charge shall be Rs 1.14 per metered call, with the number of metered calls measured at the point of

		interconnection at a pulse rate applicable to an equivalent international call made by a basic service subscriber.
(6)	For calls from cellular mobile to cellular mobile	For local/domestic long distance calls carried (partly) by basic service provider, an amount to be paid to basic service provider at a rate applicable to local/ domestic long distance call. The amount to be calculated on the basis of the corresponding conditions specified in Item 3/1 tern 4 above, i.e. Rs 1.14 per metered call, pulse rate applicable to basic service local/long distance calls, and for long distance calls the chargeable distance equal to the distance of the call carried by the basic service provider for an equivalent STD call from point of interconnection to destination.