

**GOVERNMENT OF INDIA  
MINISTRY OF COMMUNICATIONS  
DEPARTMENT OF TELECOMMUNICATIONS**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 852  
TO BE ANSWERED ON 9<sup>th</sup> FEBRUARY, 2018**

**INTERCONNECTIVITY REGULATIONS FOR SERVICE PROVIDERS**

852. SHRI N. GOKULAKRISHNAN:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether it is a fact that the Telecom Regulatory Authority of India (TRAI) has issued new interconnectivity regulations, mandating service providers to enter into an interconnection agreement on nondiscriminatory basis within 30 days of receiving a request from another operator;
- (b) whether it is also a fact that the TRAI has fixed Rs. 1 lakh as daily penalty per service area for operators violating the new norms; and
- (c) if so, the details thereof?

ANSWER

**THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &  
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS  
(SHRI MANOJ SINHA)**

(a) to (c) The Telecom Regulatory Authority of India (TRAI) on 1st January, 2018 has prescribed "The Telecommunication Interconnection Regulations, 2018" with a view to ensure effective and expeditious interconnection on the basis of Fair, Reasonable and Non-Discriminatory Principles. These Regulations have come into force w.e.f. 01.02.2018. Copy of these Regulations is **annexed**. These Regulations, inter-alia, provide as follows:

- Every service provider shall, within 30 days of receipt of request from a service provider, enter into interconnection agreement, on non-discriminatory basis, with such service provider.
- If any service provider contravenes the provisions of these regulations, it shall, without prejudice to any penalty which may be imposed under its licence or the provisions of the Act or rules or orders made or directions issued thereunder; be liable to pay an amount, by way of financial disincentive not exceeding rupees one lakh per day per licensed service area, as the Authority may direct.

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SECTION 4  
THE TELECOMMUNICATION INTERCONNECTION REGULATIONS, 2018  
(1 of 2018)

TELECOM REGULATORY AUTHORITY OF INDIA  
NOTIFICATION

New Delhi, the 1<sup>st</sup> January, 2018

File No. 10-10/2016-BB&PA --- In exercise of the powers conferred upon it under section 36, read with sub-clauses (ii), (iii) and (iv) of clause (b) of sub-section (1) of section 11, of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), the Telecom Regulatory Authority of India hereby makes the following regulations, namely:-

CHAPTER I  
PRELIMINARY

1.Short title, extent and commencement. ---

- (1)These regulations may be called the Telecommunication Interconnection Regulations, 2018  
(1 of 2018).
- (2) They shall come into effect from the 1<sup>st</sup>February, 2018.

2.Definitions. - In these regulations, unless the context otherwise requires, -

- (1)"Act" means the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);
- (2)"Authority" means the Telecom Regulatory Authority of India established under sub-section (1) of section 3 of the Act;
- (3)"busy hour" means the continuous one-hour period lying wholly in a given time interval for which the traffic is highest;
- (4)"interconnection" means the commercial and technical arrangements under which service providers connect their equipment, network and services to enable their customers to have access to the customers, services and networks of other service providers;
- (5)"interconnection charge" means the charges payable by one service provider to another service provider for interconnection;
- (6)"interconnection usage charges" or "IUC" means the charge payable by one service provider to one or more service providers for usage of the network elements for origination, transit or termination of the calls;
- (7)"licence" means a licence granted or having effect as if granted under Section 4 of the Indian Telegraph Act, 1885, (13 of 1885) and Indian Wireless Telegraphy Act, 1933 (17 of 1933);

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- (8)“point of interconnection” or “POI” means a mutually agreed point of demarcation (based on TRAI determination/ regulations/License Agreement) where the exchange of traffic between the two parties takes place;
- (9)“port” means a place of termination on a switch/ distribution frame to provide ingress and egress of traffic between two interconnecting networks;
- (10)“regulations” means the Telecommunication Interconnection Regulations, 2018 (1 of 2018);
- (11)“Schedule ” means the Schedule appended to these regulations;
- (12)all other words and expressions used in these regulations but not defined, and defined in the Act and the rules and other regulations made thereunder, shall have the meanings respectively assigned to them in the Act or the rules or other regulations, as the case may be.

## CHAPTER II INTERCONNECTION AGREEMENT

- 3.Interconnection agreement. - Every service provider shall, within thirty days of receipt of request from a service provider, enter into interconnection agreement, on non-discriminatory basis, with such service provider.
- 4.Procedure for entering into interconnection agreement. ---
  - (1) A service provider, who intends to enter into an interconnection agreement with another service provider, shall make request to such service provider alongwith ---
    - (a)a copy of its license agreement;
    - (b)name of the services for which interconnection is sought;
    - (c)proposed locations of its points of interconnection; and
    - (d)name of technology to be used for interconnection at each POI.
  - (2) The service provider, to whom request has been made under sub regulation (1) for entering into interconnection agreement, shall, within five working days of receipt of the request, send draft interconnection agreement to the service provider from whom the request was received.
  - (3) On receipt of the draft interconnection agreement issued under sub regulation (2), the service provider who made the request for entering into interconnection agreement shall, within five working days, submit its suggestions and objections, if any, on such draft to the other service provider.

## CHAPTER III BANK GUARANTEE

- 5.Bank guarantees. ---
  - (1)The service provider, who made request for entering into interconnection agreement, shall be liable to furnish bank guarantee, for a period of six months from the date of establishment of initial interconnection for the total number of ports sought during such period, if demanded by the service provider to whom request for entering into interconnection agreement was made:

Provided that the amount of such bank guarantee shall be determined in the manner specified in the Schedule-I to these regulations.

- (2) At the end of six months from the date of establishment of initial interconnection or on the 1<sup>st</sup>February, 2018, whichever is later, liability to furnish bank guarantee shall be determined in the following manner:
  - (a) the interconnection usage charges payable by the two interconnecting service providers to each other for the two months prior to the end of six months from the date of establishment of initial interconnection or the 1<sup>st</sup>February, 2018, whichever is later, shall be calculated and the service provider who is liable to pay interconnection usage charges, after adjustment, to the other service provider, shall be liable to furnish bank guarantee for a period of six months, if demanded by the other service provider;
  - (b) the bank guarantee shall be limited to the amount of interconnection usage charges payable by a service provider after adjustment under clause (a); and
  - (c) this process to determine the liability of a service provider to furnish the bank guarantee shall be repeated at the end of every six month.

#### CHAPTER IV PROVISIONING AND AUGMENTATION OF PORTS AT POIs

##### 6. Seeking ports at POIs. ---

- (1) For a period of two years from the date of establishment of initial interconnection, the service provider, who made the request for entering into interconnection agreement, shall seek ports at POIs from the other service provider to meet the demand of incoming and outgoing traffic at the POIs.
- (2) At the end of two years from the date of establishment of initial interconnection or on the 1<sup>st</sup>February, 2018, whichever is later, the total ports existing at a POI shall be converted for carrying one way traffic in such a manner that the number of ports for sending the outgoing traffic of each service provider to the other service provider are in proportion to their outgoing traffics averaged over a period of preceding three months; and
- (3) After the conversion of ports under sub-regulation (2), each service provider shall seek ports to meet the requirement of its outgoing traffic.

7. Request for initial provisioning of ports. - After entering into an interconnection agreement, the service provider, who made request for entering into interconnection agreement, may request the other service provider to provide such number of ports at POIs which shall meet the requirement of its outgoing and incoming traffic at the POIs for a period of three months from the date of initial interconnection.

8. Request for augmentation of POIs. - A service provider may request the other service provider for additional ports at a POI, if the projected capacity utilization of the ports at such POI, at the end of thirty days from the date of placing the request, is likely to be more than seventy per cent of the ports at the POI and such projected capacity utilization of the ports at the POI shall be determined on the basis of the daily traffic for the preceding thirty days at the POI during busy hour:

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Provided that the service provider shall request for such number of additional ports which is likely to bring the capacity utilization of the ports at the POI at the end of thirty days from the date of making request, to less than sixty percent.

9. Framework for provisioning of ports. ---

- (1) A service provider, upon receipt of request of ports under regulation 7 and regulation 8, and collocation space, if required, shall issue letter of acceptance, and, demand note, if any, within five working days of the receipt of the request.
- (2) A service provider, upon receipt of the demand note under sub-regulation (1), shall pay the amount within three working days from the date of receipt of the demand note.
- (3) The service provider, who issued the letter of acceptance under sub-regulation (1), shall intimate the requesting service provider about provisioning of the ports and allocation of the collocation space, if applicable,---
  - (a) within five working days from the date of issue of its letter of acceptance, in case no demand note was issued; and
  - (b) within five working days from the date of receipt of payment from the requesting service provider against the demand note, in case a demand note was issued.
- (4) A service provider, upon receipt of the intimation under sub-regulation (3), shall, within three working days of the receipt of the intimation, intimate the other service provider about establishment of the transmission link between the POIs of the two service providers.
- (5) A service provider, upon receipt of the intimation under sub-regulation (4), shall, within five working days of the receipt of the intimation, carry out acceptance testing and issue final letter of commissioning of the ports to the other service provider.
- (6) A service provider shall provide STM-1 ports at POIs, if any service provider requests for provisioning of such ports for augmentation of the POIs:  
Provided that the two service providers may agree for augmentation of POIs at any lower or higher level such as DS-3 or STM-16.

CHAPTER V  
INTERCONNECTION CHARGES

10. Interconnection charges.-The interconnection charges such as set-up charges and infrastructure charges may be mutually negotiated between service providers subject to the regulations or directions issued by the Authority from time to time:  
Provided that such charges are reasonable, transparent and non-discriminatory.

CHAPTER VI  
DISCONNECTION OF POIs

11. Procedure for disconnection of POIs. - A service provider, before disconnection of a POI, shall---
- (a) give a show-cause-notice of fifteen working days to the other service provider with reasons for the proposed disconnection;

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- (b)if not satisfied with the reply of the show-cause-notice issued under clause (a) or no reply is received to the show-cause-notice, give a notice of fifteen working days to such service provider specifying the date of disconnection of POI; and
- (c)not disconnect POI before the expiry of the period of notice given under clause (b):  
Provided that nothing contained in this regulation shall apply if a POI is disconnected with mutual consent, or on the direction of the Licensor or the Authority.

## CHAPTER VII FINANCIAL DISINCENTIVE ON INTERCONNECTION MATTERS

12.Consequences for contravention of the provisions of these regulations.-If any service provider contravenes the provisions of these regulations, it shall, without prejudice to any penalty which may be imposed under its licence, or the provisions of the Act or rules or orders made or directions issued, thereunder, be liable to pay an amount, by way of financial disincentive not exceeding rupees one lakh per day per licensed service area, as the Authority may direct:

Provided that no order for payment of any amount by way of financial disincentive shall be made by the Authority unless the service provider has been given a reasonable opportunity of representing against the contravention of the regulations observed by the Authority.

## CHAPTER VIII MISCELLANEOUS

13.Power of the Authority to issue direction.- Without prejudice to any of the provisions of the Act or any other regulations made under the Act or direction issued thereunder, the Authority may, from time to time, issue such directions, as it may deem fit, to the service providers on any aspect of interconnection for which provisions have been made under these regulations.

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