VIL/LT/19-20/288
23rd December 2019

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New Delhi-110002

Subject : **Vodafone Idea's counter comments on Consultation Paper on Review of Interconnection Usage Charges**
Reference : **TRAI consultation paper no. 18/2019 dated 8th November 2019**

Dear Sir,

This is in reference to the comments submitted by the other stakeholders on the consultation paper on Review of Interconnect Usage Charge dated 8th November 2019.

Please find attached our counter comments on the submissions made by other stakeholders on the captioned Consultation paper.

We hope that our submission will merit your kind consideration.

Thanking you

Yours faithfully,
For **Vodafone Idea Limited**

P Balaji
Chief Regulatory & Corporate Affairs Officer

Encl: as above.

Vodafone Idea's counter-comments to TRAI consultation paper no. 18/2019 on Review of Interconnection Usage Charges

Our point-wise counter-comments are as follows:

1. On the submission of one standalone ILDO that ITC (international termination charge) should be reduced to Rs. 0.15/min in phase 1, and subsequently be made equal to domestic termination charge, while ILDO carriage charge should be fixed, we disagree with this suggestion as this will not address the basic malaise facing the Indian operators viz. that the Indian access operators will continue to remain in a disadvantageous situation vis-à-vis the foreign service providers, as termination charges in many countries are much higher than the ITC rate in India. On the contrary, reduction of ITC to domestic termination charge would make India lose on both foreign exchange earnings and licence fees (including spectrum usage charges/SUC) collections to the exchequer.

   Hence, we reiterate that ITC needs to be increased and forbearance should be allowed within a prescribed range of Re. 0.75 to Rs. 1.25 per minute, which will ensure that Indian operators are not worse-off vis-à-vis the foreign service providers.

2. Similarly, on the submission of 2 other ILDOs that there should be a fixed retention of amount/share for ILDOs, we reiterate our submission as made in Point 1 above. It may also be noted that the position of the access operators is far worse than that of the standalone ILDOs w.r.t recovery of cost of investments/operations since the access operators need to ensure provision of access services by means of fixed/spectrum based mobile infrastructure spread as widely as possible, whereas the ILDOs are responsible for carrying the switched bearer telecommunication traffic generated/destined with access operators from designated points of interconnect over their network.

Accordingly, we reiterate our submission as follows:

1. ITC needs to be in the range of ~ Re. 1.25 in line with the rationale provided earlier and above.

2. ILDOs can mark up above this and enter into agreements with foreign service providers.

New Delhi

23rd December, 2019