

TELECOM REGULATORY AUTHORITY OF INDIA
NOTIFICATION

**INTELLIGENT NETWORK SERVICES IN MULTI OPERATOR
AND MULTI NETWORK SCENARIO (AMENDMENT)
REGULATIONS, 2012**

(17 OF 2012)

NEW DELHI, the 18th September, 2012

No. 416-1/2010-I&FN .-----In exercise of the powers conferred by section 36, read with sub-clauses (ii), (iii), (iv), (vi) and (vii) 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 to amend the Intelligent Network Services in Multi Operator and Multi Network Scenario Regulations, 2006 (13 of 2006), namely:-

1. (1) These regulations may be called the Intelligent Network Services in Multi Operator and Multi Network Scenario (Amendment) Regulations, 2012 (17 of 2012).
(2) They shall come into force from 18.09.2012.

2. In regulation 10 of the Intelligent Network Services in Multi Operator and Multi Network Scenario Regulations, 2006 (13 of 2006) (hereinafter referred to as the principal regulations),.....
 - (a) after sub-regulation (2), the following sub-regulation shall be inserted, namely:-

“(2A) All Eligible Service Providers providing Intelligent Network Services shall enter into interconnection

agreement with all Access Providers under regulation 3 on such commercial and technical arrangements or agreements, as may be mutually agreed between them;”

- (b) in sub-regulation 3, for the words, figure and brackets “sub-regulation (2)”, the words, figures and brackets “sub-regulation (2) and sub-regulation (2A)” shall be substituted;
- (c) after sub-regulation (4), the following sub-regulation shall be inserted, namely:-

“(4A) Every arrangement or agreement under sub-regulation (2A) shall be entered into within ninety days from the date of commencement of the Intelligent Network Services in Multi Operator and Multi Network Scenario (Amendment) Regulations, 2012 for providing Intelligent Network Services to subscribers of Access Providers:

Provided that every Eligible Service Provider who starts offering Intelligent Network Services on or after the date of commencement of the Intelligent Network Services in Multi Operator and Multi Network Scenario (Amendment) Regulations, 2012 shall enter into arrangements or agreements under sub-regulation (2A) with all Access Providers within ninety days from the date of commencement of such service:

Provided further that every arrangement or agreement under sub-regulation (2A) shall be entered into with the Access Provider who starts providing services after commencement of Intelligent Network Service in Multi Operator and Multi Network Scenario (Amendment) Regulations, 2012 within ninety days from the date of commencement of service by the Access Provider:

Provided also that in case any Eligible Service Provider fails to enter into arrangement or agreement under sub-regulation (2A), the Authority may, on an application made by the concerned service provider and having regard to the interest of the service providers and consumers of the telecom sector, extend the said period of ninety days to one hundred eighty days”;

(d) in sub-regulation (6), for the words, figure and brackets “sub-regulation (2)”, the words, figures and brackets “sub-regulation (2) and sub-regulation (2A)” shall be substituted;

(e) in sub-regulation (7), for the words, figure and brackets “sub-regulation (2)”, the words, figures and brackets “sub-regulation (2) and sub-regulation (2A)” shall be substituted;

(f) in sub-regulation (8), for the words “ Basic Operator, Cellular Mobile Service Provider or Unified Access Service Provider”, the words “Eligible Service Provider shall be substituted.

3. In regulation 11 of the principal regulations,.....

(a) in the heading, for the words, figure and brackets “sub-regulation (2)”, the words, figures and brackets “sub-regulation (2) and sub-regulation (2A)” shall be substituted ;

(b) in sub-regulation (1),....

(i) for the words “Basic Operators, Cellular Mobile Service Providers or Unified Access Service Providers”, the words “Basic Operators, Cellular Mobile Service Providers, Unified Access Service Providers or Eligible Service Provider” shall be substituted;

(ii) for the words, figure and brackets “sub-regulation (2)”, the words, figures and brackets “sub-regulation (2) and sub-regulation (2A)” shall be substituted;

(Rajeev Agrawal)
Secretary

Explanatory Memorandum to the “The Intelligent Network Services in Multi Operator Multi Service Scenario (Amendment) Regulations, 2012 (17 of 2012)”

1. Introduction – Intelligent Network Services

- 1.1 To facilitate the subscribers of an access provider to access the Intelligent Network (IN) Services provided by any other service provider, in exercise of the powers conferred upon it under section 36, read with sub-clauses (ii), (iii), (iv), (vi) and (vii) of clause (b) of sub-section (1) of section 11 of the Telecom Regulatory Authority of India Act, 1997, Telecom Regulatory Authority of India (TRAI) issued “Intelligent Network Services in Multi Operator Multi Service Scenario Regulations, 2006 (13 of 2006)” on **27th November 2006**.
- 1.2 The said regulations are in force. As per these regulations, service provider is required to enter into arrangement/agreement with other service provider within 90 days from the date of commencement of these regulations for providing intelligent network services to subscribers of other telecom service providers and these arrangements or agreements to come into force within 30 days from the date of entering into such arrangements or agreements. The regulations envisaged quick implementation of at least Free Phone service and Virtual Calling Cards (VCC).

2. Need for Amendment

- 2.1 The Authority sent recommendations on “Provision of Calling Cards by Long Distance Operators” to the Department of Telecommunications (DOT) on 20.8.2008. The Authority recommended that License conditions of the National Long

- Distance (NLD) and International Long Distance (ILD) license may be amended to allow National Long Distance Operators (NLDOs) and International Long Distance Operators (ILDs) to have direct access to consumers, through calling cards, for provision of national and international voice telephony services, respectively
- 2.2 DoT vide their letter dated 31.8.2009 informed that TRAI's Recommendations have been accepted by the competent Authority. While accepting the recommendations necessary amendments in NLD and ILD Licenses have also been carried out.
- 2.3 Subsequent to acceptance of TRAI's recommendation by DOT and simultaneous resultant amendment in the related clauses of the NLD and ILD Licences agreement, NLDOs have become eligible to access the subscribers directly for provision of national long distance voice services through calling cards and ILDOs have become eligible to access the subscribers directly for provision of International long distance voice services through calling cards only.
- 2.4 The Authority has noted that Intelligent Network Services in Multi Operator Multi Service Scenario Regulations, 2006 (13 of 2006) was issued on 27th November 2006 (hereinafter referred to as IN regulations) to facilitate the subscribers of an access provider to access the IN Services provided by any other service provider.
- 2.5 Sub regulations (2), (4) and (6) of Regulations 10 of the IN Regulations lay down the time period for entering into agreement and submission of the same to the Authority. It has been noted that there is no specific time frame in the IN regulations for the service providers who become eligible to provide IN services subsequent to the date of issue of IN regulations.

2.6 Amendment to the IN regulations is therefore considered necessary so that service Providers can enter into agreement with all other service providers who are already providing IN based services or would start IN based services at a later date in a time bound manner in the consumer interest.

3. The Review Process

3.1 Considering the need for amendment to the IN Regulations, draft Amendment to the IN Regulations was uploaded on TRAI's website on 12.10.2010 for obtaining comments/ counter comments from the stakeholders. Initially the last date for submission of comments was 27.10.2010 and for counter comments was 3.11.2010. However, on the request of some service providers, the last date for receipt of written comments was extended up to 12.11.2010 and for counter comments up to 19.11.2010.

3.2 Comments were received from 10 stakeholders including 8 service providers and 2 service providers' associations. Counter comments have been received from 2 stakeholders. Subsequent to last date of counter comments, counter comments have also been received from 3 stakeholders i.e. Bharat Sanchar Nigam Limited (BSNL), Bharti Airtel and Association of Unified Telecom Service Providers of India (AUSPI). However these have not been uploaded on TRAI's website but the important points have been taken note of.

3.3 The Authority has taken into account various comments of the stakeholders provided in writing in response to the draft regulations. In view of the fact that the IN regulations are already in force and the need for the amendments mainly arose due to the acceptance of the TRAI's recommendations, which were sent to the

Government after due consultation with the stakeholders and also the fact that amendment to the IN regulations would facilitate time bound agreement between the service providers for providing inter operator IN services and in the larger consumer interest, the amendment to the regulations is limited in nature and therefore open house discussions were not felt necessary.

3.4 In the following paragraphs the main issue raised by the stakeholders have been examined.

3.5 Summary of the main comments of Stakeholders:-

- (i) *DoT and TRAI have permitted calling cards from 21st August 2009 but even after laps of more than a year no NLD/ILD could finalise any interconnect agreement and offer calling card services, the proposed amendments in IN regulations are welcomed.*
- (ii) *Reference to definitions of NLDOs and ILDOs should be placed within the Para 2 of the IN regulations 2006.*
- (iii) *The originations charges payable to the Access Provider by NLDOs/ILDOs for VCC services should be specified on the basis of cost based charges.*
- (iv) *Authority may publish standard interconnection draft for IN interconnection agreement to be used alternatively in case the service providers are not able to agree and sign interconnection in the stipulated time.*
- (v) *TRAI should mandate that all operators shall exchange traffic for IN based calling cards at existing POI, no separate Trunk Groups needs to be created for this traffic.*

- (vi) Intervention of TRAI for evolving IN regime vide regulations and directions much appreciated and pave the way for achieving telecom consumer satisfaction.*
- (vii) Keep the proposed amendment in abeyance and the same may be taken up for review with consultation paper.*
- (viii) Should be discussed with the consultation paper on “Revenue sharing arrangement for IN services” dated 3rd November 2010.*
- (ix) Proposed amendment will enhance competition and consumer benefit. The same may be notified at the earliest.*
- (x) The Authority has no power of framing regulations on the subject matter. Till the matter regarding regulation making power is finally decided by the Hon’ble Supreme Court, no new regulations or amendment to the existing regulations may be carried out.*

4 Analysis of the issues

- 4.1 The Authority has taken the various comments and inputs into consideration and analysed the matter in details. The views of the Authority on main issues are as follows.
- 4.2 Regarding the comments on inclusion of the definitions of NLD and ILD in the regulations, it has been noted that in the Regulation 2 (n) it has been already mentioned that all other words and expressions used in these regulations but not defined, and defined in the Act and the rules and other regulations made there under, shall have the meanings respectively assigned to them in the Act or

the rules or other regulations, as the case may be. Since the definitions are already given in the respective licenses and eligible service providers are defined in the regulations with respect to the terms and conditions of the license, no need is felt to include the definitions of NLD and ILD in the regulations.

- 4.3 On the various points raised by the stakeholders regarding prescribing the originations charges payable to the Access Provider by NLDs/ILDs for VCC services, publication of standard interconnection draft for IN interconnection agreement, mandating exchange of traffic for IN based calling cards at existing Point of Interconnection (POI) etc. is concerned, the objective of the amendment is to facilitate agreements between the service providers in a time bound manner and also to provide them full flexibility to enter into agreement on mutually agreed terms and conditions. As per regulations, in case such service providers fails to enter into agreements or arrangements within the stipulated time, they have to intimate within fifteen days of such failure to the Authority with complete details thereof and after examining such failure and details furnished by the service providers, in accordance with sub-regulation (8) of regulation 10, the Authority would specify the interconnection arrangement.
- 4.4 On the issues raised by BSNL and Mahanagar Telephone Nigam Limited (MTNL) regarding regulation making power of TRAI, it is mentioned that the power of the Authority to frame the “Intelligent Network Services in Multi Operator Multi Service Scenario Regulations, 2006 (13 of 2006)” dated 27th November 2006 is not subject matter of any dispute/challenge. There is no impediment to the statutory power of TRAI to amend the regulations.
