

Seminar on Role of Courts and Regulator
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TRAI as a Telecom Regulator

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Preamble of TRAI Act 1997

- An Act to provide for the establishment of the Telecom Regulatory Authority of India and the Telecom Disputes Settlement and Appellate Tribunal to regulate the telecommunications services, adjudicate disputes, dispose of appeals and to protect the interests of service providers and consumers of the telecom sector, to promote and ensure orderly growth of the telecom sector and for matters connected therewith or incidental thereto

Telecom Regulatory Authority of India (TRAI)

- TRAI: established in 1997 under the TRAI Act 1997.
- Authority consists of Chairman, two full time members & two part-time members.
- TRAI has recommendatory as well as regulatory functions and regulates the Telecom and Broadcasting & Cable TV sectors.

Functions of TRAI

- **Recommendatory** – Need and timing for introduction of new service providers, terms & conditions of license, competition, technological improvement & development, spectrum management etc.
- **Regulatory-** Interconnection, Quality of Service, tariffs etc.
- To regulate the sector TRAI issues Regulations, Orders and Directions from time to time.

Recommendatory functions

Section 11 (1) (a) of TRAI Act

Make recommendations, either suo motu or on a request from the licensor:

- **need and timing for introduction of new service provider**
- **terms and conditions of license to a service provider**
- **efficient management of available spectrum**
- **revocation of license for non-compliance of terms and conditions of license**
- **measures to facilitate competition and promote efficiency**
- **technological improvements in the services provided by the service providers**
- **type of equipment to be used by the service providers**
- **measures for the development of telecommunication technology**

Regulatory functions

Section 11 (1) (b) of TRAI Act

Discharge the following functions:-

- **fix the terms and conditions of inter-connectivity between the service providers**
- **ensure technical compatibility and effective inter-connection**
- **ensure compliance of terms and conditions of license**
- **regulate sharing of revenue amongst service providers**
- **lay down the standards of quality of service**
- **lay down and ensure the time period for providing local and long distance circuits**
- **ensure effective compliance of universal service obligations**

Govt. to seek recommendations of Authority

Section 11 (1) (d) of TRAI Act

- Govt shall seek recommendations of the Authority in respect of
 - Need and timing for introduction of new service provider
 - Terms and conditions of licence to a service provider
- Authority shall forward its recommendations in 60 days
- Govt can send back the recommendations for reconsideration
- After receipt of reconsidered recommendation Govt shall take a final decision

TDSAT

Adjudicate any dispute

- Between a licensor and a licensee
- Between two or more service providers
- Between a service provider and a group of consumers
- Hear and dispose of appeal against any direction, decision or order of the Authority

Contravention of directions of Authority

(sections 29 and 34 of TRAI Act)

- Complaint to be made by the Authority in the court of Chief Metropolitan Magistrate or First Class Chief Judicial Magistrate
- Fine may extend to one lakh rupees and in case of second or subsequent offence with fine which may extend to two lakh rupees and in the case of continuing contravention up to two lakh rupees for every day.

Telecom and Broadcasting Regulations in India

TRAI

- ✓ **Tariff**
- ✓ **Quality of Service**
- ✓ **Interconnection**

Government

- ✓ **Spectrum**
- ✓ **License**
- ✓ **Content**

Regulatory principles/ objectives

- Transparent procedures (section 11 (4) of TRAI Act)
- Participatory decision making
- Timely decisions
- Better services at affordable prices
- To ensure level playing field amongst service providers
- Overall development of the sectors
- Protect interests of service providers as well as that of consumers
- To maintain technology neutral policy

Procedure followed for framing Regulations/ Recommendations

- Issue of consultation paper
- Invite stakeholder comments/ counter comments
- Hold Open House Discussions
- Discussions with stakeholders, if necessary
- Analyse and address stakeholder's views
- Issue Regulations/Recommendations

Regulations in Telecommunications

- Interconnection regulations
- Quality of Service regulations
- Tariff orders

Interconnection

- Telecom being a networked service this is one of the most important aspects
- Provision of connectivity by one service provider to another – quantum, time frame, cost
- Reference Interconnect Offer (RIO)
- Charges in interconnection
 - Origination Charge
 - Carriage Charge
 - Termination Charge

Quality of Service(QoS)

- Technical parameters
- Coverage
- Grievance Redressal
- Billing procedure and related aspects
- Service provider submits monthly and quarterly reports
- Audit and Surveys are done through independent agencies

Tariff

(section 11 (2) of TRAI Act)

- Started by fixing tariff
- Then fixed upper caps
- Now Forbearance for most of the services

Recent Recommendations/Regulations

- Spectrum Auction – Reserve price, Block size, maximum holding etc
- Mobile number portability
- Broadband penetration
- Call Drops
- Consumer protection and awareness
- Net neutrality (forthcoming)



Thank you

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