



**COMPETITION COMMISSION OF INDIA**  
**Case No. 32 of 2019**

**In Re:**

**Mr. Ajinder Singh,  
1948, Towne Center Blvd NW,  
Edmonton, Alberta T6R2W3,  
Canada.**

**Informant**

**And**

**Vodafone Idea Limited (formerly known as IDEA Cellular Limited),  
Suman Tower, Plot No. 18, Sector-11,  
Gandhi Nagar-382011.**

**Opposite Party No. 1**

**Reliance Jio Infocomm Limited,  
101, Saffron, Near Centre point,  
Panchwati 5 Rasta,  
Ambawadi,  
Ahmedabad-380006.**

**Opposite Party No. 2**

**Airtel Limited,  
1, Nelson Mandela Road,  
Vasant Kunj, Phase II,  
New Delhi-110070.**

**Opposite Party No. 3**

**Sify Technologies Limited,  
II Floor, TIDEL Park, No. 4,  
Rajiv Gandhi Salai,  
Taramandi, Chennai-600113.**

**Opposite Party No. 4**

**CORAM:**

**Mr. Ashok Kumar Gupta  
Chairperson**

**Ms. Sangeeta Verma  
Member**

**Mr. Bhagwant Singh Bishnoi  
Member**



## Order under Section 26 (2) of the Competition Act, 2002

1. The present information has been filed by Mr. Ajinder Singh on behalf of Teleclub Alberta Ltd. (hereinafter, the “**Informant**”) under Section 19(1)(a) of the Competition Act, 2002 (hereinafter, the “**Act**”) against Vodafone Idea Limited (hereinafter, “**OP-1**”), Reliance Jio Infocomm Limited (hereinafter, “**OP-2**”), Airtel Limited (hereinafter, “**OP-3**”) and Sify Technologies Limited (hereinafter, “**OP-4**”), hereinafter collectively referred to as “**OPs**”, alleging contravention of the provisions of Section 3 and 4 of the Act.
2. The Informant has filed the information for Teleclub (Alberta Limited), Canada in the capacity of its CEO. It is submitted by the Informant that Teleclub is one of the international telecom carriers in Canada.
3. As per publically available information, OP-1 is an Indian subsidiary of Britain based Vodafone Group PLC, which started Indian operations in 2007 with the acquisition of controlling interest in Hutch Essar. In 2018, Vodafone acquired Idea Cellular and became the largest telecom service provider in India. Likewise, OP-2 and OP-3 are also major telecom service providers operating in India. Further, as per publicly available information, OP-4 is the largest Information and Communications Technology (“**ICT**”) service provider, systems integrator and all-in-one network solutions company operating in India, which has partnered with major network operators to deliver global network solutions.
4. As stated in the information, the Informant entered into a deal with Idea Cellular (now acquired by OP-1) to provide inbound calls to India at the rate of INR 0.37 per minute through Idea Cellular’s network for which a Master Agreement dated 20.11.2017 was signed and executed between the Informant and Idea Cellular. The Informant, however, has not furnished a copy of the said agreement with the information filed. Subsequently, an amendment to the Master Agreement dated 12.04.2018 was executed between the Informant and Idea Cellular (now acquired by OP-1).



5. The Informant has alleged that:
  - a) During the course of business, Indian telecom operators held a conference in Hawaii, USA and decided to charge standard rate of 0.0053 USD for inbound calls terminating on their network in India instead of the rates fixed by Telecom Regulatory Authority of India's ("TRAI") notifications *i.e.* INR 0.30 per minute. The Informant had no option but to agree to these terms as all telecom operators provided the same rate. The Informant has enclosed the Telecommunication Interconnection Usage Charges (14<sup>th</sup> Amendment) Regulations, 2018 ('IUC Regulations, 2018') with the information.
  - b) Telecom operators further increased the rate of inbound calls to 0.0115 USD per minute after another meeting in February 2018 and the same was telephonically communicated to the Informant and he was compelled to abide by the same.
  - c) The telecom operators also harassed the Informant by choking its ports used for sending traffic.
6. Based on above facts and allegations, Informant has requested the Commission to initiate action against the OPs under Section 3 and 4 of the Act.
7. The Commission having considered the information in its Ordinary Meeting held on 10.10.2019 was of the view that the primary issue in hand as per the information filed by the Informant was whether the OPs were charging higher rates for inbound calls in excess of the ceiling fixed by TRAI, which issue fell within TRAI's domain. Accordingly, the Commission made a reference to TRAI under Section 21A of the Act for seeking TRAI's opinion on the issues raised/ allegations made against the OPs and forwarded a copy of the information to the said regulatory body. Specific opinion was sought from TRAI on the following two issues:
  - a) Whether the Services providers (OPs) can be said to have contravened the provisions of IUC Regulations, 2018 by charging higher termination charges for inbound international calls terminating into India, and
  - b) Whether any complaint has been filed with TRAI in this regard.



8. TRAI, *vide* its letter dated 16.12.2019, forwarded its opinion to the Commission. In its opinion, TRAI stated that:
- 8.1 The IUC Regulations, 2018 came into effect from 01.02.2018, wherein, TRAI prescribed the International Termination Charges (ITC) for international incoming calls to wireline and wireless networks as INR 0.30 per minute.
- 8.2 The International Settlement Charge (ISC) has not been regulated under the IUC Regulations, 2018 and has to be decided based on mutual negotiations between the Indian Long Distance Operators (ILDOS) and Foreign Service Providers.
- 8.3 The Informant has mistaken International Termination Charges *i.e.* ITC as International Settlement Charge *i.e.* ISC, whereas, ITC have to be paid by the International Long Distance Operators to access providers in whose network the call terminates (OP-1, OP-2 and OP-3 in the present case) and ISC are exchanged between Foreign Service Providers and Indian Long Distance Operators for exchanging international traffic.
- 8.4 No Indian Long Distance (ILD) license was issued by the DoT (Department of Telecom) in the name of the Informant and it appeared that the Informant is in the business of providing services in the capacity of a Foreign Service Provider and, thus, has to negotiate with the Indian ILDOs for deciding ISC for inbound international calls terminating in India.
- 8.5 OPs in the present case had not contravened the IUC Regulations, 2018 and no complaint was filed with TRAI in this regard till that date.
9. The Commission considered TRAI's response in its Ordinary Meeting held on 26.12.2019 and noted that the allegations made by the Informant with regard to charging of a rate higher than that prescribed by TRAI in terms of IUC Regulations, 2018 does not hold any substance in view of the categorical opinion received from the sectoral regulator. Further, no complaint has been filed by the Informant with TRAI in this regard.



10. The Commission further noted that the parties are well within their legal rights and have the commercial freedom to negotiate the terms and conditions for doing business *inter-se*, bearing in mind the principles of competition law. In the present case, the Commission has *prima facie* not found any evidence to indicate that OP's have fixed the rates through any concerted action amongst themselves, so as to warrant an investigation. Other than bald allegations there is nothing more in the information which could be examined from a competition perspective.
11. In the light of the above analysis, the Commission finds that no *prima facie* case of contravention of the provisions of Sections 3 and 4 of the Act is made out against the OPs in the instant matter. Accordingly, the matter is closed under the provisions of Section 26(2) of the Act.
12. The Secretary is directed to communicate to the Informant, accordingly.

**Sd/-**  
**(Ashok Kumar Gupta)**  
**Chairperson**

**Sd/-**  
**(Sangeeta Verma)**  
**Member**

**Sd/-**  
**(Bhagwant Singh Bishnoi)**  
**Member**

**New Delhi**  
**Date: 10.02.2020**