

**Telecom Regulatory Authority of India**

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**TRAI issues Consultation Paper on “Review of Ceiling Tariffs for  
Roaming Services”**

Today, TRAI has initiated a consultation process on ‘Review of Ceiling Tariffs for Roaming Services’ by issuing a Consultation Paper on the subject. The last date for submission of comments by stakeholders is 14<sup>th</sup> December, 2006.

2. Tariff for roaming services in cellular telephony was fixed in the year 2002 by the Authority. A number of significant developments have taken place since then which include introduction of Calling Party Pays (CPP) regime, fixation of cost based Interconnection Usage Charges (IUC), periodical review of the IUC regime, reduction in the applicable license fee payable by the operators on the Adjusted Gross Revenue (AGR) and the explosive growth of subscriber base and the resultant growth in Minutes of Usage. These factors have implications for tariffs for roaming services.

3. There is a growing impression among the subscribers of mobile services and other stakeholders that there is a strong case to revisit the roaming tariffs. The Authority studied the prevalent roaming tariffs in the market and analyzed the state of competition in the roaming services market and has flagged the issue of inadequate competition in the market for roaming services. Keeping these factors in view, the Authority has issued a Consultation Paper containing inter-alia an analysis of the competition in roaming services market, calculations of incremental cost

estimates for roaming services and has raised the following issues for consultation:-

- 1) Should the Authority fix an usage based composite ceiling tariffs for national roaming services separately in respect of outgoing call – local, inter-circle and for incoming calls – taking into account the incremental roaming cost (as explained in Chapter 4) and the interconnection usage charges/ADC involved in the provision of roaming services?
- 2) In the alternative, should the Authority adopt the ‘Home Pricing Rule’ for all types of calls while roaming as contained in para 5.11?
  - (a) If yes, give justification.
  - (b) If not, give reasons.
- 3) Should there be any surcharge on national roaming tariffs in any form in the context of the discussions contained in para 5.12? If yes, please give justification.
- 4) Should the outgoing SMS while roaming attract any tariff other than the one applicable in the home network usage?
- 5) What are the factors that limit competition in roaming services market in India and suggest measures for facilitating enhanced competition in that space?

4. The full text of the Consultation Paper is available on TRAI’s Website ([www.traigov.in](http://www.traigov.in)). Written submissions containing comments on the issues raised may be furnished to Secretary, TRAI by **14.12.2006**.

**Contact address for any clarification:**

M. Kannan  
Advisor (Economic)  
Telecom Regulatory Authority of India  
Telephone: 011-26160752  
Fax: 011-26103294/26160752 (Country code +91)  
Email: mkannan05@gmail.com