

## **TELECOM REGULATORY AUTHORITY OF INDIA**

**February 27, 2006**

### **PRESS RELEASE No. 17/2006**

TRAI today issued Direction to Mobile Service providers in the States of Maharashtra, Tamil Nadu, West Bengal and Uttar Pradesh not to charge differential tariffs for calls terminating in BSNL network and other service providers networks.

Consequent upon the amendment to licences of CMTS/UAS/Basic and NLD services by Department of Telecommunication (DoT) vide its letter dated 20<sup>th</sup> May 2005 and further clarification vide No. 842-503/2004-VAS/52 dated 16/6/2005 on interconnection Usage Charges (IUC) and ADC on this issue, calls between Mumbai Metro & Maharashtra Telecom Circle, Chennai Metro & Tamil Nadu Telecom Circle, Kolkata Metro & West Bengal Telecom Circle and UP (East) & UP (West) Telecom Circle Service Areas were treated as intra-service area calls for the purpose of call routing and levy of ADC.

It was noted that some of the private mobile operators in the aforementioned four States had specified a higher tariff for calls terminating in the mobile networks of BSNL/MTNL from one service area to other service area, falling within the geographical boundary of the same State. TRAI also received complaints from subscribers regarding the differential higher tariffs being levied by private mobile operators for calls terminating in BSNL/MTNL network.

The Authority has examined this differential tariff in the light of the comments of the mobile operators and their representative association. The explanation given by operators and also COAI is that private mobile operators have established direct connectivity between each other's network in these four States. However, in case of BSNL/MTNL, because of the lack of direct connectivity, calls are carried from their network to BSNL/MTNL network through NLDO in which case additional carriage charge is paid to the NLDO and the tariff for calls terminating in BSNL/MTNL network are being charged

at a higher rate compared to calls terminating in the network of private mobile operators.

The Authority has carefully considered the rationale given above and found it unacceptable. The Authority has come to the conclusion that the differential tariffs levied by private operators operating in the aforesaid four States of Maharashtra, West Bengal, Tamilnadu and UP for calls terminating in the network of BSNL/MTNL from one service area to other service area within the same State, is discriminatory and inconsistent with the amended licence conditions notified by DoT on 20/5/2005. The Authority has also noted that the said action of the operators is preventing the consumers from getting full advantage of the Government decision to allow inter-service area connectivity within the aforesaid four States.

In view of above, the Authority has directed the Mobile operators in the four States of Maharashtra, West Bengal, Tamil Nadu and Uttar Pradesh to immediately discontinue such differential tariff and report compliance to the Authority within 15 days of issue of this direction. The direction of the Authority dated 27 February 2006 in this regard is available on its website [www.traai.gov.in](http://www.traai.gov.in)