



भारतीय दूरसंचार विनियामक प्राधिकरण  
**Telecom Regulatory Authority of India**



**Pre-Consultation Paper on  
Review of Tariff for Domestic Leased Circuits (DLCs)**

New Delhi, India

29.04.2025

Tower F, NBCC World Trade Centre, Nauroji Nagar, New Delhi-110029

**Written inputs/ comments on the Pre-Consultation Paper titled 'Review of Tariff for Domestic Leased Circuits (DLCs)' are invited from stakeholders by 19th May 2025. The inputs/ comments may be sent, preferably in electronic form, to Advisor (Financial & Economic Analysis), TRAI on the email ID [advfea2@traigov.in](mailto:advfea2@traigov.in), which will be posted on the TRAI's website ([www.traigov.in](http://www.traigov.in)).**

**For any clarification/ information, Shri Vijay Kumar, Advisor (Financial & Economic Analysis), TRAI, may be contacted at Telephone No. +91- 11- 20907773.**

**Pre-consultation Paper on**  
**“Review of Tariff for Domestic Leased Circuits (DLCs)”**

1. The Section 11(2) of Telecom Regulatory Authority of India Act, 1997 (as amended) inter alia states that-

*"Notwithstanding anything contained in the Indian Telegraph Act, 1885 (13 of 1885), the Authority may, from time to time, by order, notify in the Official Gazette the rates at which the telecommunication services within India and outside India shall be provided under this Act including the rates at which messages shall be transmitted to any country outside India."*

2. The Authority notified the Telecommunication Tariff Order (57<sup>th</sup> & 58<sup>th</sup> amendments) prescribing the ceiling tariffs for Domestic Leased Circuits (DLCs) of E1 (2 Mbps), DS3 (45 Mbps), STM-1 (155 Mbps) and STM-4 (622Mbps) capacities, while keeping the tariffs for domestic leased circuits of other speeds/capacities under forbearance.
3. The Authority is examining the need for reviewing the existing ceiling tariffs for DLCs. Any proposed review will require a thorough analysis and a careful consideration of key aspects, including ensuring fair and affordable pricing, promoting healthy competition in the market, evolving technology and market dynamics, and fair returns for service providers. This exercise can only be achieved through close cooperation among all stakeholders. Therefore, to facilitate the proposed review, the Authority invites all stakeholders to participate in the present pre-consultation process by submitting relevant issues, concerns and suggestions pertaining to the existing ceiling tariff of Domestic Leased Circuits.
4. While submitting inputs, stakeholders may consider the relevant Telecommunication Tariff Orders (TTO), including, but not limited to the following TTOs:
  - a) The Telecommunication Tariff Order, 1999

- b) The Telecommunication Tariff (36<sup>th</sup> Amendment), Order, 2005
- c) The Telecommunication Tariff (57<sup>th</sup> Amendment), Order, 2014
- d) The Telecommunication Tariff (58<sup>th</sup> Amendment), Order, 2014

5. The Authority encourages all stakeholders to give their views on the following aspects; without limiting themselves to these issues alone:

- a) Development trends and current status of the DLC market in the country.
- b) Effectiveness of the existing tariff framework for Domestic Leased Circuits (DLCs).
- c) Prevailing tariff structures for DLCs offered by service providers across different technologies, bandwidths and distances.
- d) Impact of new technological advancements on the evolving DLC ecosystem and associated tariff considerations.
- e) Disparities in tariffs across different routes and geographical regions.
- f) Approaches and methodologies adopted by service providers for determining tariffs of DLCs (presently under forbearance).
- g) Evolving customer requirements and expectations in relation to DLC services.
- h) Challenges faced by small service providers, customers or new entrants in the current DLC market.
- i) Global best practices in DLC tariff frameworks and their potential relevance for the Indian context.

6. Inputs/Comments received from stakeholders would be analysed and considered by the Authority to examine the need for a review of DLC tariffs.