

# Telecom Regulatory Authority of India

## Notification

New Delhi, the 11<sup>th</sup> April, 2005

No.409-8/2004-FN

In exercise of the powers conferred upon it under section 36 read with paragraphs (ii), (iii) and (iv) of clause (b) of sub-section (1) of Section 11 of the Telecom Regulatory Authority of India Act, 1997, the Telecom Regulatory Authority of India hereby further amends the Telecommunication Interconnection Usage Charges Regulation, 2003(4 of 2003) , as follows, namely:

1. Short title, extent and commencement:

(i) This Regulation shall be called "The Telecommunication Interconnection Usage Charges (Fifth Amendment) Regulation (7 of 2005)"

(ii) This Regulation shall come into force with effect from the date of its publication in the Official Gazette.

2. In regulation 2 under Section II of the Telecommunication Interconnection Usage Charges Regulation, 2003 (4 of 2003) the following para and entries shall be inserted, after para and entries (xxviii) namely:

(xxix) Roaming means the ability for a cellular subscriber to automatically make and receive voice calls, data and to access other services while travelling outside the geographical coverage area of the home network, by using the visited network. It is national roaming when visited network and the home network of the subscriber are in the same country and it is international roaming when visited network and home network of the subscriber are in different countries.

The existing (xxix) will be renumbered as (xxx).

3. The following paras and entries relating thereto shall be inserted in Schedule III of The Telecommunication Interconnection Usage Charges Regulation, 2003 (4 of 2003) after Para 3.3 and entries relating thereto, namely:

“ 3.4 All calls from the National Roaming subscribers shall be treated as Long Distance calls and all calls from International Roaming subscribers shall be treated as incoming international call for ADC purposes. As such for all calls from National roaming subscribers while in a different Service Area, ADC charge as applicable for National Long Distance calls shall be applicable at the rate of Rs 0.30 per minute. For International Roaming Subscriber while making any call while in India, an ADC of Rs 3.25 per minute shall be applicable.

3.5 For all calls from Roaming subscriber, the access deficit amount is to be collected by the visited network operator and paid to BSNL.”

#### **4. Explanatory Memorandum**

This Regulation contains at Annex A, an explanatory memorandum to provide clarity and transparency to matters covered under this Regulation.

**BY ORDER**

**[RAJENDRA SINGH]  
Acting Secretary**

**EXPLANATORY MEMORANDUM**

1. Authority vide its notification dated 6<sup>th</sup> January 2005 had issued IUC Regulation (1 of 2005), which has been implemented from 1<sup>st</sup> February 2005. BSNL forwarded a copy of its implementation circular to TRAI., In this circular BSNL has made some changes in the call routing arrangements wherein new trunk groups have been added for CMTS POI at Level I TAX for National and International roaming subscribers traffic. BSNL has also indicated that proposed charges at Level I TAX Trunk group are provisional. BSNL has mentioned in its implementation plan that since CMSPs are charging approximately Rs. 100/- per minute from the international roaming subscribers in their network, therefore CMSPs should share revenue in 50: 50 basis with BSNL.
  
2. COAI submitted a representation to the Authority stating that the above mentioned action of BSNL would adversely impact the business of Cellular Operators both in terms of revenue and costs. Moreover, even physical implementation of separate trunk group is almost impossible in the extremely short time given. It was also stated that the implementation of such a scheme for ADC did not require trunk groups, and could be done on the basis of CDR. Authority also received representation from AUSPI stating that separate trunk group is not required and sharing of 50% of the retail charges from the international roaming subscriber has no relation to IUC payments and hence be dispensed with.
  
3. The Authority has had detailed meetings with the BSNL, COAI, AUSPAI and switch manufactures on these issues.

4. BSNL had stated in its submission that roaming calls are premium in nature. CMSPs themselves are treating roaming calls differently from local calls in terms of charges. They are charging National roaming customers a higher charge varying from Rs. 3/- to Rs. 5/- per minute. The cellular operators are charging approximately Rs. 100/- per minute from international roaming subscribers, and BSNL gets paid for termination and carriage charges only. The licences for cellular services are issued for specific service areas. The Interconnect Agreements are signed by BSNL with CMSPs for the concerned service area. Roaming customers are from a different Service Area and are not covered for the general treatment provided in the Interconnect Agreements. BSNL stated that it is ready to accept this traffic, provided BSNL gets paid for ADC and share in higher profit from such calls. BSNL thus had proposed an equitable revenue share arrangement between CMSPs and BSNL. BSNL also stated that there is a possibility of misuse in case no ADC is applicable on roaming calls, as the integrated operator would bypass the ADC regime by showing even their National/International calls as call from a roaming subscriber (i.e. by showing the call as not being subject to ADC). BSNL has also informed that they have CDR at Level-I and will have CDR based system at Level-II within 2 months.
  
5. COAI in its representation stated that although some of its members have signed the Interconnect agreement but still they are unable to implement the agreement due to technical difficulties. BSNL's circular for different trunk groups for calls originated by in-roamers has not taken into account all the call scenarios. Normally routing of traffic is decided on the basis of dialled number (B number), and to implement the routing as proposed by BSNL in its IUC implementation plan A number has to be seen before routing. This will create lot of processor load on the Switch. This arrangement will also reduce trunking efficiency. To implement such routing, the MSC dimensioning will change resulting in higher CAPEX. COAI further added that whatever the arrangement, which it was of the view should be based on CDR, the same

arrangement should be applied in toto for CELL-ONE also. COAI apprehended that roaming rates will go up due to BSNL's circular.

6. AUSPI in its representation submitted that there is no need for separate trunk group when operators are ready to provide their CDRs for reconciliation to BSNL. BSNL can verify from the CDR whether the call is from roaming subscriber or not. AUSPI had emphasised that BSNL have CDR based billing at level I TAX so the need to create separate trunk group at Level I TAX does not arise.
7. Several equipment manufacturers and equipment suppliers informed that due to routing based on 'A' number, additional processor load will be of the order of 10% or more. This will also reduce Circuit Utilisation and trunking efficiency.
8. Authority has examined the various issue raised during the meetings and written submissions by BSNL, COAI and AUSPI, and its discussions with Equipment Manufacturers. The Authority observed that formation of separate trunk group will reduce the traffic handling capacity at the POI and would therefore be inefficient arrangement. Further, since the matter can be addressed without resorting to formation of separate trunk groups for national and international roaming subscribers and BSNL is already in the process of implementing CDR based billing system, an arrangement based on CDR system should be used. In the mean time, till CDR based systems are put in place ,operators could supply the complete Call Data Records(CDR) separately to BSNL for the calls made by their national and international subscribers.
9. The Authority has also observed that private cellular operators are themselves treating calls originated by their home network customers separately from the calls originated by the roaming customers belonging to their own network in

other service area. The Authority has also observed that the possibilities of misuse of POIs by cellular operators exist if they hand over incoming international calls as well as incoming inter-circle calls as local calls to BSNL. **To avoid such misuse of POI, all calls from the national roaming subscribers should be treated as long distance calls and all calls from the international roaming subscribers should be treated as incoming international call. As such for all calls from National Inroamers while in a different Service Area, ADC charge for national calls with ADC will be applicable. For International Roamers while making any call while in India, an ADC of Rs 3.25 per minute should be applicable.** A letter in this regard was issued by Authority to all service providers on 11-03-05 seeking their final comments. Comments had been received from COAI and BPL only, and Authority found that issues raised by COAI and BPL had already been discussed and considered.

10. The Authority has noted the point that BSNL has raised the issue of sharing revenue from cellular operators on the ground that they are charging higher rate from national and international roaming subscribers as compared to the calls from their home network subscribers. The Authority has already issued a consultation paper on 17<sup>th</sup> March 2005 which will address issues like revenue share arrangement between terminating network and visiting network.