Telecom Regulatory Authority of India

Press Release No. 38/2005

2nd May, 2005

TRAI specifies separate Ceiling Tariff for 64 Kbps domestic leased circuits provided through Managed Leased Line Network (MLLN) Technology.

On 21st April 2005, TRAI had notified revised ceiling tariffs for domestic leased circuits vide 36th Amendment to Telecommunication Tariff Order 1999 (TTO 1999). Subsequent to this order Bharat Sanchar Nigam Limited (BSNL) submitted to the Authority that 64 Kbps circuits are being provided in two methods: classical 64 Kbps circuits, and new Managed Leased Line Network (MLLN) based 64 Kbps circuits. The provision of bandwidth through MLLN Technology involves costs significantly higher than ceiling tariffs notified by the Authority in the 36th Amendment to TTO 1999. The tariffs in the 36th Amendment to TTO 1999 were fixed by the Authority based on the classical method of providing 64 Kbps leased circuits.

2. The Authority has considered the submissions of BSNL and has seen that MLLN is a different service for which the Authority has had no prior submission or cost data available. The Authority has therefore decided to retain the previous ceiling tariff for 64 Kbps circuits provided on MLLN technology as 37th Amendment to TTO notified on 02.05.05. This tariff shall prevail for one month, within which the Authority proposes to fix cost based tariff for this new service. For traditional 64 Kbps and N*64 Kbps circuits, the tariff ceilings as prescribed in 36th Amendment of TTO 1999 notified on 21.04.05 would continue.