



**Comments on Pre-Consultation Paper
on
Review of Tariff for National Roaming**

Comments on Pre-Consultation Paper on Review of Tariff for National Roaming

1. Reliance Communications Ltd (RCOM) welcomes the opportunity extended to comment on issues raised in the Pre-Consultation Paper on Review of Tariff for National Roaming.

Roaming Charges Not Justified

2. Roaming charges is an unjustified tax on Indian citizens and an impediment for free movement of information and a barrier to easy accessibility to the telecom services. Roaming charges within India runs counter to the fundamental principle of our constitution for free movement of people and trade. **Therefore, there is no justification for continuation of roaming charges.**

3. The Cabinet on 31st May, 2012 approved the **National Telecom Policy, 2012 having** one of the main objective to work towards '**One Nation - Free Roaming**'. RCOM whole heartedly welcomes and supports Government's this policy objective. **RCOM has all along supported free roaming in various presentations and submissions and requests TRAI to immediately remove the roaming charge across the nation.**

4. Mobile communication is now an indispensable and integral part of life. However, for mobile users, high roaming charges remains a concern. Despite the TRAI Roaming Regulation adopted in 2007, expenditure on domestic roaming remains expensive for Indian consumers.

5. Demand for mobile services has significantly increased in recent years. However, **due to high charges for roaming, the use of mobile service is severely constrained when consumer travels from one Indian state to another Indian state. The excessive charges to receive calls while roaming is an impediment to provide seamless accessibility to telecom services.** Due to roaming charges, mobile users apply various avoidance mechanisms like multiple SIM cards, missed calls etc which cause great inconvenience to them.

6. **Given the increasing demand and importance of telephone services, there should be no obstacle like roaming charges while accessing telephone services.** Government is focusing on providing e-medicine, e-gov, e-education, e-banking services etc to our citizens. **The creation of such social, cultural, educational and entrepreneurial areas based on the mobility of individuals and devices requires availability of seamless communication services across all geographies and therefore roaming charges are totally unjustified.**

7. It may also be noted that when the telecom licences were issued, the country was divided into 22 telecom circles. Each mobile operator had a circle as its territory of service area. However now most TSPs have pan-India presence and therefore there is no justification for roaming charges.

8. Roaming charges should be NIL. In a zero roaming charge situation, the customer would simply pay as if it were a domestic call in the visited circle, regardless of Indian state he is visiting. This has the added benefit of driving competition between the operators in the visited state.

9. **In view of the above we suggest that the existing roaming regulation of 2007 must be succeeded by a zero roaming charge regime. Without free roaming, it would not be possible to create a unified nation which transcends artificial boundaries created telecom licenses.**

No Impact of Zero Roaming Charges on TSPs

10. There will be no impact of free roaming service on TSPs. The average incremental revenue impact of free roaming service on existing tariffs would range only between 3 to 5 paise for CDMA and GSM services respectively. The impact of free roaming service is estimated below based on parameters given in TRAI Performance Monitoring Report published in January, 2013.

Modeled GSM Operator	
Average ARPU (Rs.)	95
% Roaming Revenue	8.5%
Roaming Revenue per User (Rs.)	8.08
Average Outgoing Minutes per User	166
Incremental impact on per Outgoing Min. Per User (Rs.)	0.049

Modeled CDMA Operator	
Average ARPU (Rs.)	78
% Roaming Revenue	4%
Roaming Revenue per User (Rs.)	3.042
Average Outgoing Minutes per User	114
Incremental impact on per Outgoing Min. Per User (Rs.)	0.027

11. **The abolition of roaming charges will actually lead to increase in Minutes of Usage and therefore TSPs will not feel any adverse revenue impact.** It may be recalled that even when CPP was implemented the total usage had significantly increased.

Cost Concerns relating to Roaming Service are Irrelevant

12. There are number of services offered by TSPs which have significant costs but in the larger interest of citizens charging for these services is not permitted. TSPs build cost for these services in the tariff. Some of these services are:

- Emergency Services
- Mobile Number Portability
- Blocking/Filtering of unsolicited commercial communication
- Incoming calls etc.

13. As roaming charges hinder free movement of information and people, RCOM suggests immediate removal of roaming charges.