

Airtel, Vodafone & Idea 3G roaming deal 'illegal': DoT



According to DoT the 3G roaming deal signed between Airtel, Vodafone and Idea is 'illegal'.

NEW DELHI: An internal wing of the telecoms department (DoT) has ruled that the [3G roaming](#) agreements between [Bharti Airtel](#), [Vodafone](#) Essar and [Idea Cellular](#) are 'illegal' and has asked the department to initiate action against the three mobile phone companies, including issuing show cause notices and imposing financial penalties.

If the government acts on the recommendations of the Telecom Enforcement, Resource and Monitoring (TERM) Cell of the DoT, the three [GSM](#) biggies may have to shell out fines to the tune of Rs 50 crore for every circle where they have entered into 3G roaming agreements.

This development comes even as the Central Vigilance Commission (CVC) has sought the telecom department's opinion on the 3G roaming agreements between the incumbents. The vigilance body has asked the telecoms department to explain if these roaming agreements are allowed under existing permits. It has also asked the DoT to probe if these agreements amounted to spectrum sharing or even offering services as a mobile virtual network operator (MVNO), both of which are not permitted under existing rules.

ET had reviewed a copy of both the TERM cell note as well as the CVC communication on this issue.

With no telco bagging pan-India 3G airwaves in last year's auctions, the leading GSM operators had entered into an alliance that enables them to offer high-end data services on a pan-India basis (except Orissa). Bharti, Vodafone and Idea had won 3G airwaves in 13, 9 and 11 circles respectively and their roaming pacts ensure that customers of these companies can access high-speed data services even in the regions where they don't hold 3G airwaves.

Last week, ET had reported that the telecoms department has asked its legal wing to examine the 3G roaming agreements between the three GSM operators while adding that it had also sought the opinion of sector regulator Trai, which has already served notices on these mobile phone companies for alleged violation of their mobile permits.

The DoT move had come after several telcos such as MTNL, BSNL, Aircel and Tata Teleservices had sought clarity before entering into similar roaming agreements. For

instance, MTNL wants to enter into commercial deals with Tata Teleservices and Aircel for its 3G airwaves in Delhi and Mumbai.

Aircel had won 3G airwaves in 13 circles and Tata Teleservices in nine when these frequencies were auctioned last year, but both these companies had failed to bag spectrum in Delhi and Mumbai. Besides, it is also learnt that Aircel and Tata Teleservices are close to finalizing a 3G roaming deal, although this could not be independently verified by ET.

When contacted, the Vodafone spokesperson said 'the arrangement to provide 3G services is in complete compliance and agreement as per government policy and guidelines.' Ditto with Bharti Airtel, as its spokesperson said that the company was in 'complete compliance with license conditions and all its agreements were as per stated government policy'.

Last month, the three GSM operators, in separate communications to the DoT, had pointed out that the department, in the past, had clearly specified that 'roaming policy is applicable to licences and not specific to spectrum bands'. These telcos also said that they had informed the department before entering into roaming pacts with each other. They also cited the clarifications provided by the department before the 3G auctions, where the government had said that roaming was applicable to their mobile permits and not to specific spectrum bands.

Vodafone and Idea Cellular in their communications to the department on August 26 and 29 respectively have said that clause 39.1 of their mobile permits allow them to enter into roaming agreements with each other. They have also said that under existing rules, roaming pacts allows mobile phone companies to offer internet telephony, internet services, [broadband](#) services and triple play of voice, video and data.