



November 19, 2024

Shri Akhilesh Kumar Trivedi,
Advisor (Networks, Spectrum and Licensing)
Telecom Regulatory Authority of India
4th, 5th, 6th & 7th Floor, Tower-F,
World Trade Center, Nauroji Nagar,
New Delhi – 110029

Sub: **Response to TRAI Consultation Paper on “The Terms and Conditions of Network Authorisations to be Granted Under the Telecommunications Act, 2023”**

Dear Sir,

Kindly find attached herewith response to TRAI Consultation Paper on “The Terms and Conditions of Network Authorisations to be Granted Under the Telecommunications Act, 2023” dated 22.10.2024.

Kind regards,
For **AA+ Consultants**

A handwritten signature in blue ink, appearing to read 'Praveen', with a horizontal line underneath.

Praveen Sharma
Chief Executive Officer

AA Plus Consultants

6D, 6th Floor, Vandana Building, Tolstoy Marg, New Delhi – 110001 India
Regd. Office: C-6/442 Yamuna Vihar, Delhi – 110053

AA Plus Consultants response to TRAI Consultation Paper on “The Terms and Conditions of Network Authorizations to be Granted Under the Telecommunications Act, 2023” dated 22nd October, 2024

We express our gratitude to TRAI for providing the chance to comment on the issues in the Consultation Paper regarding the terms and conditions of network authorizations that are proposed to be issued in accordance with the Telecommunications Act 2023. This issue has got some background as well with differential licensing for various layers being part of the path recommended by NDCP 2018 and TRAI earlier consultation paper and consequent recommendations of August 2021.

Background: Need & timing for new Category of Service Provider

The existing Unified license regime came into effect from August 2013. Under the Unified License, infrastructure, network, and service layers are not segregated and are part of the Unified License. **Unified License offers service-wise authorizations for establishing service-specific network and to provide the authorized service(s).** The allocation of spectrum is delinked from the license and it has to be obtained separately as per the prescribed procedure, for different services. Only one Unified License is required for all telecom services in the entire country. The service provider may choose the services to be offered, which are called Service Authorizations. The licensees of UL are authorized to create infrastructure, establish the network, maintain it, provide the service to the subscribers, manage the tariff, billing, QoS, customer care, etc.

Service only layer licenses were introduced in India by permitting Virtual Network Operators (VNOs) in 2016. VNOs, who do not own the underlying core network(s), are Service Delivery Operators (SDOs) and treated as an extension of network service operators (NSOs). VNOs are not allowed to install equipment interconnecting with the network of other NSOs. No spectrum is assigned to VNOs. In addition, it offers an authorisation for the ‘Access Services Category B’ wherein the service area is a District of a State/Union Territory. Under each authorization of UL (VNO), a licensee is permitted to provide such telecom services, which the UL licensee under the similar authorization is permitted to provide.

Infrastructure Provider Category-I (IP-I) are entities registered with DoT, which are permitted to establish telecommunication infrastructure. IP-Is can provide assets such as Dark fibers, Right of Way, Duct space, and Towers on lease/rent out/sale basis to the licensees of telecom services on mutually agreed terms and conditions. Currently, IP-Is are not permitted to own and share active infrastructure.

The application layer consists of those providers who are providing various application services to different verticals using telecom resources. With technologies such as Machine-to-Machine (M2M) communications, IoT, Cloud services, data centres, e-commerce, etc., different application providers are in the field, and they are using telecom resources for the provision of their services.

National Digital Communications Policy (NDCP) 2018, under its ‘Propel India’ mission, envisages one of the strategies as ‘Reforming the licensing and regulatory regime to catalyze Investments and Innovation and promote Ease of Doing Business’. Enabling unbundling of different layers (e.g., infrastructure, network, services, and application layer) through differential licensing is one of the action plans for fulfilling the afore-mentioned strategy.

In pursuance of above policy objective, in May 2019, DoT had requested TRAI to furnish recommendations on enabling unbundling of different layers through differential licensing, under the terms of the clause (a) of sub-section (1) of Section 11 of the Telecom Regulatory

Authority of India Act, 1997, as amended by TRAI Amendment Act, 2000. TRAI gave its recommendations on the issue of enabling unbundling of Different Layers Through Differential Licensing vide its recommendations dated 19.08.2021. Following are some of the relevant observations from the said recommendations:

“2.42 In unbundling of the network layer and service layer, there is a concept of independent network service provider/operator, who will establish the network and sell the services on a wholesale basis to the service delivery operator for retailing purpose. The Authority agrees with the views expressed by some of the stakeholders that as the current licensees of the UL regime, have established their own networks and are also providing the services to the consumers, it may be difficult for them to split their functions into two layers, and act as the network provider and service delivery operator separately. Further, Telecom is a capital-intensive sector, and the telecom service providers plan their investments and roll-out based on the existing licensing and regulatory regime, apart from the market related factors. Frequent changes in the licensing framework may give a signal of uncertainty to the investors. Thus, any change in the existing Unified License regime (introduced in the year 2013) to unbundle the network and Services could be detrimental and hamper investments. However, if a separate authorization under Unified License is created for Access Network Provider (network layer) to provide network services on wholesale basis, such a licensee would willingly share its network with service delivery operators, thereby resulting in reduction of cost and increased utilization of resources, including spectrum. Under this authorization for Network layer only, the Access Network Provider should not be permitted to directly provide services to the end customers under the same authorization.”

“2.47 In view of the above, the Authority is of the view that it would be prudent to have a balanced approach, i.e., without disturbing the existing licensing regime for UL, a separate authorization under UL may be created for Access Network Provider. The Access Network Provider shall provide the network resources on wholesale basis to the Service Delivery Operators (VNOs), who may provide the services on retail basis to the end users. The existing TSPs may migrate to unbundled regime in order to focus on its core competence by outsourcing service delivery to VNOs. Therefore, if a Unified Licensee with Access Authorization wishes to migrate to segregated network layer and service layer regime, it should be permitted to do so.”

These recommendations do not appear to have been accepted formally by DoT. However, framing of the new Telecommunications Act 2023 in the manner in which it is done again gives rise to the possibility of differential licensing at Network Layer for all Services and same needs to be considered carefully in terms of need and timing of such a category of service provider.

Secondly in terms of TRAI recommendations dated 18.09.24 which were required to propose a new license regime as per provisions of Telecommunications Act 2023, the existing old license regime has already been mapped and this endeavor under the aegis of Section 3(1) (b) of the Telecommunications Act 2023 would be in addition to the licensing regime already recommended by TRAI and to create a new category of Network Service Providers who will provide on wholesale basis to VNOs and may be also to Unified Licensees as well. This may not be an attempt to unbundle the existing integrated license regime as existing or as recommended. With this caveat in place, we now respond to various questions as follows:

Q1. Whether there is a need to merge the scopes of the extant Infrastructure Provider-I (IP-I) and Digital Connectivity Infrastructure Provider (DCIP) authorization (as recommended by TRAI in August 2023), into a single authorisation under Section 3(1)(b) of the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

As per the TRAI recommendations dated 08-08-2023, the DCIP License should not be standalone license as was IP 1 registration, but an authorization under Unified License. Authority has also recommended that DCIP shall allow for creation of both active and passive digital connectivity infrastructure by an Infrastructure provider. While the Authority has recommended that no license fee must be imposed on DCIP Authorised entities, an entry fee of Rs. 2 lakhs and an application processing fee of Rs. 15,000 has been recommended.

IP-1 registrations were issued under Section 4 of the Indian Telegraph Act as amended but a registration document with no entry fee or license fee and at par with other Telecom service licenses in statutory terms only and for creation of passive infrastructure only and IP-1 registration does not have any validity period.

As per the new Telecommunications Act, 2023 the definition of Telecommunication Network is:

"Telecommunication network" means a system or series of systems of telecommunication equipment or infrastructure, including terrestrial or satellite networks or submarine networks, or a combination of such networks, used or intended to be used for providing telecommunication services, but does not include such telecommunication equipment as notified by the Central Government;

As per this definition, there may be an interpretation that going forward establishment of passive infrastructure like towers, poles, dark fibers etc. will require an authorisation under Section 3 of the Telecommunications Act, 2023. In the year 2000, when the Department of Telecommunications (DoT) invited applications for IP-1, the scope of IP-1 was limited to providing passive assets such as dark fibers, right of way, duct space, tower and poles on lease/rent out/ sale basis to telecom licensees on mutually agreed terms and conditions. While due to no entry barrier, there are 1525 entities who are holders of IP-1 registration. It might therefore be unfair for those IP-I registration holders who do not wish to provide active infrastructure to be forced to get migrated to new DCIP regime and to pay the entry fee and application processing fee.

What we need to assess is whether there is a requirement or justification of new IP-1 registrations, in the last quarter of FY 23-24, we had 28 new IP1 registrations getting issued by DoT. So, it may not be a bad idea to continue IP1 registration in the present format while creating a new DCIP authorization as recommended by TRAI.

It may also be noted in case if the scope of extant IP-I registration and DCIP authorisation is merged, the existing IP-I registrations do not have a validity time and would continue till five years from the appointed date as per Section 3(6) (b) of the Telecommunications Act 2023 and thereafter would be required to migrate to new proposed DCIP authorization.

In our view, we can have two categories of infra providers under Section 3(1)(b) of the Telecommunications Act, 2023 namely (a) IP-I authorisation (a mirror authorisation of the extant IP-I registration); and (b) DCIP authorisation (as recommended by TRAI in August 2023)

Q2. In case your response to the Q1 is in the affirmative, kindly provide a detailed response with justifications on –(a) Eligibility conditions for the grant of the merged authorisation; and (b) Area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the merged authorisation.

AA Plus Consultants Response:

Not applicable

Q3. In case your response to the Q1 is in the negative, -

(a) What changes (additions, deletions or modifications) are required to be incorporated in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms &

conditions (general, technical, operational, security etc.) of the IP-I authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 as compared to the extant IP-I registration?

(b) Whether there is a need to make certain changes in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the DCIP authorisation (as recommended by TRAI in August 2023)? If yes, kindly provide a detailed response with justifications.

AA Plus Consultants Response:

- a.) In our view, it is important that the IP-1 Authorisation i.e. mirroring the extant IP-1 registration should remain light touch. It is recommended that the IP-1 Authorisation may have a validity period of 20 years, which may be extended on request of the authorised entities. It would ensure that only entities that are active and create passive infrastructure would stay on the list of IP-1 authorised entities.
- b.) There is no need to make any changes in the eligibility conditions, area of operation, validity period of authorisation, scope and terms & conditions of the proposed DCIP authorisation as recommended by TRAI vide its recommendations of 8.8.2023.

Q4. (a) Which telecommunication equipment/ elements should be included in the ambit of 'in-building solution' (IBS)?

(b) Whether there is a need to introduce a new authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding in-building solution (IBS) by any property manager within the limits of a single building, compound or estate controlled, owned, or managed by it? If yes, what should be the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of such an authorisation? Please provide a detailed response with justifications.

AA Plus Consultants Response:

- a.) All telecommunication equipment/ elements should be included in the ambit of 'in-building solution' that are not wireless in nature.
- b.) As per the recommendation of TRAI dated 18.09.2024, TRAI has already recommended that any person may, without a service authorisation may be allowed to establish, operate, maintain, or expand telecommunication network (not being a wireless telecommunication network) within the limits of a single building, compound or estate, provided that no part of such telecommunication network should pass over or under a public road. Such entities may also be allowed to install in-building wireless solutions on behalf of the authorised TSPs as well. For this activity, such IBS providers should only be required to be registered with the Authorised TSPs. Thus, we believe there is no use case for introducing a new category of authorisation under section 3(1)(b) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding in-building solution (IBS) by any property manager within the limits of a single building, compound or estate controlled, owned or managed by it as it goes against the goal of the new Telecommunications Act, 2023 to promote ease of doing business.

Q5. Whether there is a need to make any changes in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the Content Delivery Network (CDN) authorisation, as recommended by TRAI on 18.11.2022? If yes, what changes should be made in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the CDN authorisation? Kindly provide a detailed response with justification.

AA Plus Consultants Response:

A content delivery network (CDN) is a network of servers that deliver web content to users based on their location. CDNs store copies of web content in data centers around the world, so users can access content from a server that's closer to them. This reduces latency, or the delay in communication between the user and the website, and results in faster page load times.

CDNs can help with:

- **Network congestion:** CDNs can help solve network congestion that can occur when content providers deliver richer web content like videos and graphics.
- **Security:** CDNs can provide Transport Layer Security (TLS) or Secure Sockets Layer (SSL) certificates to help protect a site.
- **Content availability:** CDNs can help prevent server crashes and improve page load time for websites that get heavy traffic loads.

Examples

- Some examples of businesses that use CDNs include:
- eCommerce stores
- Advertising businesses
- Online gaming
- Entertainment services like Netflix and Spotify
- Live event broadcasting

From above, it is very clear that content delivery network services are not covered under section 3 of the Telecommunications Act, 2023 although CDNs are a very important part of internet ecosystem. In order to promote orderly and equitable growth in the CDN services sector, it is necessary for the government to oversee the growth in the sector including promoting domestic CDN players. In such a view of the matter, the registration for the CDN providers may be prescribed as recommended by TRAI vide its recommendations dated 18.11.2022. However, the more appropriate course of action would be to regulate the CDN service providers under Information Technology Act, 2000 as amended from time to time because CDN players are squarely covered under the definition of intermediaries under the said Act.

Q6. Whether there is a need to make any changes in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the Internet Exchange Point (IXP) authorisation, as recommended by TRAI on 18.11.2022? If yes, what changes should be made in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the IXP authorisation? Kindly provide a detailed response with justification.

AA Plus Consultants Response:

Internet Exchange Points (IXPs)- in the internet infrastructure, IXPs allow networks to interconnect and exchange traffic with one another. IXP is a technological facility that enables connections between various network members to route traffic swiftly and cost-effectively. They're essentially big local area networks made up of Ethernet switches that are linked. The end users of the IXP services are ISPs, Content Providers and CDNs. All Tier-1 ISPs are

performing the functionality of IXPs when they interconnect with other tier-1 ISPs, content providers and downstream ISPs as well as CDNs. While there is a TRAI recommendation in respect of licensing for IXP services, same need to be examined appropriately in view of the provisions of section 3 of the new Telecommunications Act, 2023. The transit nature of services being provided by IXPs is akin and analogous to the voice services being provided by NLDOs and ILDOs so there may be a case for coverage of these services under Section 3(1)(a) of the Telecommunications Act, 2023. That said with liberalization of ISP license under the new regime there may not be a case for separately bringing in this new category of ISP License and the same can easily be subsumed under ISP category-C license.

Q7. Whether there is a need to make any changes in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the Satellite Earth Station Gateway (SESG) authorisation, as recommended by TRAI on 29.11.2022? If yes, what changes should be made in the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the SESG authorisation? Kindly provide a detailed response with justification.

AA Plus Consultants Response:

TRAI recommendation for SESG provides authorisation holder to establish, operate and maintain the Hub/Gateway and provide it as service to the service licensee. Spectrum will not be allocated to the spectrum and baseband equipment also will not be allowed to be installed for SESG authorization holder.

The Baseband equipment & spectrum will be rather in scope of service licensee.

TRAI recommendations on Licensing Framework for Establishing and Operating Satellite Earth Station Gateway (SESG) dated 29.11.2022 seems to be sufficient.

Q8. Whether there is a need to introduce a new authorisation for establishing, operating, maintaining or expanding satellite communication network, which may be used to provide network as a service to the entities authorised under Section 3(1)(a) of the Telecommunications Act, 2023? If yes-(a) What should be the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of such authorisation?

1. (b) Whether an entity holding such authorisation should be made eligible for the assignment of spectrum for both feeder link as well as user link? Kindly provide a detailed response with justification.

AA Plus Consultants Response:

There is a need to introduce a new authorisation for establishing, operating, maintaining or expanding satellite communication network to provide Network as a service to the authorised entities. It could be introduced as an authorisation separate from the UL regime named NaaS (Network as a Service). In NGSO satellite system, the same spectrum is shared amongst multiple licensees and is assigned flexibly across various end customers belonging to different licensees.

Conditions of such authorisation should be as follows: -

1) Eligibility Conditions:

- Companies registered under Companies Act, 2013 of India shall be eligible to apply for grant of NaaS authorisation.
- The applicant company shall be either a satellite operator operating satellite system(s) approved by the Indian Government or A subsidiary of such satellite operator or an entity having contracts/ license agreements entered with such satellite operator for provision of network.

2) Area of Operation:

The area of operation of NaaS authorised entities should be nationwide.

3) Validity Period:

Validity Period of Authorisation should be 20 years extendable by 10 years.

4) Scope of Authorisation:

NaaS authorisation may be used to provide network as a service for NGSO systems. Technically and commercially, such authorisation may not be required for GSO systems.

5) Terms and Conditions:

Terms and Conditions should be light touch in line with other Authorisations that are not included in the UL regime. Up to 1% of AGR may be charged as the Authorisation fee. Entry Fee may be kept at 2 lakh and a minimal application fee should be applied to cover the administrative charges. Authorised entities may be required to use devices as per the standards of TEC or any international standards like ITU.

Q9. Whether there is a need to introduce an authorisation under Section 3(1) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding ground stations, which may be used to provide ground station as a service (GSaaS)? If yes, what should be the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) for the authorisation to establish, operate, maintain, or expand ground stations, which may be used to provide GSaaS? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

In order to stimulate the growth of the Indian space sector we need to enable the provision of Ground Station as a Service (GSaaS) and related space-based services.

Proposed Scope of GSaaS:

GSaaS providers will offer a comprehensive suite of ground station services, encompassing Satellite Control Center (SCC): Centralized control and management of satellites, Telemetry, Tracking, and Command (TT&C): Real-time monitoring, tracking, and control of satellites, Mission Control Center (MCC): Oversight and management of satellite missions and operations, Remote Sensing Data Reception Station: Reception and processing of Earth observation data and Ground Stations for Space-Based Services: Support for missions such as Space Situational Awareness (SSA), astronomy, space science, and navigation.

Eligibility Criteria:

Legal Entity: Companies registered under the Companies Act, 2013 in India.

Technical and Financial Capability: Demonstrated ability to provide GSaaS services, including infrastructure, expertise, and financial resources.

Authorization Process:

Application: Interested entities must submit a detailed application to the designated authority, outlining their proposed GSaaS services, infrastructure, and operational plans.

Evaluation: The application will be evaluated based on technical, financial, and operational criteria.

Authorization Grant: Upon successful evaluation, the designated authority will grant authorization to the eligible entity, subject to specific terms and conditions.

Authorization Terms and Conditions:

Validity Period: The initial authorization period will be [Specify Duration, e.g., 10 years]. This period may be extended upon successful review and compliance with regulations.

Performance and Financial Obligations: The authorized entity must adhere to specific performance standards and financial obligations, as outlined in the authorization document.

Regulatory Compliance: The authorized entity must comply with all applicable national and international regulations, including those related to spectrum management, cybersecurity, and data privacy.

Reporting Requirements: The authorized entity must submit periodic reports to the designated authority, providing updates on operations, performance, and compliance.

Liability and Insurance: The authorized entity must maintain adequate insurance coverage to mitigate risks associated with GSaaS operations.

Benefits of GSaaS Network Authorization:

Market Access: Access to a growing market for space-based services.

Regulatory Clarity: Clear guidelines and regulations to facilitate business operations.

International Collaboration: Opportunities for collaboration with international space agencies and organizations.

Innovation and Investment: Encouragement of innovation and investment in the Indian space sector.

By establishing a robust GSaaS network authorization framework, India can position itself as a global leader in the space industry, fostering economic growth and technological advancement.

Q10. Whether there is a need to introduce an authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding cloud-hosted telecommunication networks, which may be used to provide telecommunication network as a service to the authorised entities under Section 3(1)(a) of the Telecommunications Act, 2023? If yes, what should be the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of such an authorisation? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

No, as of now there is no need to introduce an authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding cloud-hosted telecommunication networks. Cloud-hosted telecommunication networks could have a great and positive impact on the future of network architecture in India. In our view, cloud-hosted telecommunication network as a service is in the nascent stages in India right now and having stringent entry and operating conditions would make it very difficult for the industry to evolve.

Q11. What should be the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of the authorisation for Mobile Number Portability Service under Section 3(1)(b) of the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

MNP Service Providers provide Porting services to the TSPs. The present two MNP Operators were selected by means of competitive bidding process in the year 2009. The present license agreement has been signed by DoT in April, 2019 for a period of ten years. In our view, there is no occasion or reason to modify these licenses as on date and the same needs to be declassified under Section 3(1)(b) of the Telecommunication Act, 2023.

Q12. What provisions should be included in the terms and conditions of various network authorisations under Section 3(1)(b) of the Telecommunications Act, 2023 considering the various sections including Sections 4 to 9, 19 to 24, 32 to 42, 44, 45, 49, and 55 of the Telecommunications Act, 2023 and technological/ market developments in the telecommunication sector? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

In respect of the terms and conditions of various network authorization under Section 3(1)(b) of the Telecommunication Act, 2023 considering the various Sections of the Telecommunications Act quoted in the Question, following provisions should be included in the terms and conditions.

- Assignment of spectrum to the network authorizations under Access Services and Satellite based telecommunication service authorization.
- Section 3(6) for continuation of operations under the existing licenses and provision for migration of existing licenses to authorizations under the new Act will not apply as this category would be a new category of license under Section 3(1)(b) in addition to licenses recommended under Section 3(1)(a) by TRAI vide its recommendations dated 18.09.2024. Since there would be no end users Section 28 to Section 30 may not apply in the case of network providers.

Q13. What provisions should be included in the terms and conditions of various network authorisations under Section 3(1)(b) of the Telecommunications Act, 2023 considering the policy/Act in the Space Sector and other relevant policies/ Acts in the related sectors? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

There should be a provision in the terms and conditions that would promote the new technologies by granting authorised entities an incentive and keeping them motivated to keep innovating. It is important for the Indian Network Ecosystem to keep growing and advancing technologically to compete the global standard.

The Authority may add a special clause that would allow a Tax Break for companies that are making a considerable investment in future forward infrastructure.

The companies working on the latest technologies such as IMT 2030, THz Wave etc. should be allocated experimental spectrum for a short period of time which can be renewed at no cost. It would ensure that companies have an incentive to invest in technology.

Q14. What should be the terms and conditions for the merger, demerger, acquisition, or other forms of restructuring of the entities holding network authorisations under Section 3(1)(b) of the Telecommunications Act, 2023? Please provide a detailed response with justifications in respect of each network authorisation.

AA Plus Consultants Response:

TRAI recommendation on 'Reforming the Guidelines for Transfer/Merger of Telecom Licenses' dated 12.2.2020 may be used for creating the general terms and conditions for the merger, demerger, acquisition or other forms of restructuring of the entities.

The merger of two authorised entities holding Network Authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 should be in line with these recommendations. The spectrum allocation and market share could be calculated in accordance with the guidelines provided by the Authority to the Central Government in case of a merger.

Q15. What conditions should be made applicable for the migration of existing network licenses, registrations etc. to the new network authorisation regime under Section 3(1)(b) of the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

Following are the existing network licenses in the present license regime:

IP-I Registration

MNP Service Provider License

Generally, in case of migration from an old regime to new regime there should not be any requirement of application processing fee, entry fee etc.

Q16. What procedure should be followed for the migration of existing network licenses, registrations etc. to the new network authorisation regime under Section 3(1)(b) of the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

Same as response to Q15.

Q17. Whether there is a need to introduce certain new authorisations (other than the authorisations discussed above) to establish, operate, maintain or expand telecommunication networks under Section 3(1)(b) of the Telecommunications Act, 2023? If yes, -

(a) For which type of telecommunication networks, new authorisations should be introduced?

(b) What should be the eligibility conditions, area of operation, validity period of authorisation, scope, and terms & conditions (general, technical, operational, security etc.) of such authorisations? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

There is no need to introduce any new authorisations to establish, operate, maintain or expand telecommunication networks under section 3(1)(b) of the Telecommunications Act, 2023 as of now because the main reason for introduction of the Telecommunications Act, 2023 was to simplify the licensing regime and to promote ease of doing business. To stay consistent with the goal, it wouldn't make sense to introduce any new authorisation unless there is a specific requirement for the same.

Please refer to our response in the introductory part where we have dealt with the question of need and timing for introduction of new category of network service operators.

Q18. Whether there is a need to remove certain existing authorisations to establish, operate, maintain or expand telecommunication networks, which may have become redundant with technological advancements? If yes, kindly provide a detailed response with justifications.

AA Plus Consultants Response:

The Authority would need to consider whether there is still a requirement of IP-I Authorisation if the proposed DCIP authorisation is introduced. If the existing IP-I registered entities choose to migrate to the new DCIP authorisation with the scope inclusive of active infrastructure along with the passive infrastructure, it would make the IP-I Authorisation for providing passive infrastructure redundant.

Q19. Whether there is a need to club the scopes of certain authorisations to establish, operate, maintain or expand telecommunication networks into a single network authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 for bringing more efficiency in the telecommunication networks? If yes, kindly provide a detailed response with justifications.

AA Plus Consultants Response:

No, other than the authorisations mentioned in the recommendation of TRAI dated 18.9.2024, there is no need for clubbing the scopes of multiple authorisations. It has been envisaged by the Authority to decrease the number of authorisations to simplify the authorisation regime but merging scopes of services that are not congruent would make it more difficult for the entities to fulfil their obligations related to the authorisation document.

Q20. What provisions should be included in the terms and conditions of various network authorisations under Section 3(1)(b) of the Telecommunications Act, 2023 to improve the ease of doing business? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

No Comments.

Q21. Whether there is a need for mandating a reference agreement between authorised entities establishing, operating, maintaining or expanding the telecommunication network, and authorised entities providing telecommunication services? If yes, -

(a) Between which type of entities, reference agreements are required to be mandated?

(b) What should be the salient features of the reference agreements between such entities? Kindly provide a detailed response with justifications.

Q22. Are there any other inputs or suggestions relevant to the subject? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

Yes, there is a need for mandating a reference agreement between authorised entities establishing, operating, maintaining or expanding the telecommunication network, and authorised entities providing telecommunication services. As per TRAI recommendations dated 19.08.2021, following view was taken by the Authority and recommendations were as follows:

View:

'2.82 As already discussed, VNO regime is working well in all the layers except for mobile services. In case of mobile services, it would be very difficult to assess whether a UL/Network Providers licensee is having excess capacity in its network. Because of the very nature of mobile services, load on a part of the network or BTS depends on the mobile 32 subscribers latched on to it, which keeps changing with time. Therefore, it will be a techno-commercial decision of the licensee to assess that whether the excess capacity can be offloaded to a service delivery operator, or the excess capacity is needed to handle the surge traffic or the peak time load. Moreover, it is a business decision for a TSP to sell the services directly to the subscribers or through VNO. Therefore, the Authority is of the view that it may not be practically feasible to mandate the TSPs to share their network capacity with the VNOs. Having said that, to bring transparency in the entire process for VNO(s) seeking and entering into an

agreement with Network provider or Unified Licensee. a broad framework may be created, prescribing the definite process in respect of application filing, application processing and defined timelines etc.

2.83 The framework should provide the process to be followed for applying for wholesale capacity/network resources along with the detailed proposal, process of acceptance/rejection by the Network Providers, along with the defined process and timelines, etc. In case of rejection of the proposal by a Unified Licensee, it should provide reasons and justification for such rejection. Detailed framework will bring in transparency, help in bringing accountability.

2.84... Having said that, to ensure that terms and conditions (including commercials) offered to different VNOs are fair, transparent, and nondiscriminatory, the Network Operators should be asked to declare their Reference Offer (including commercials) on their website, which could serve as a basis for mutual negotiations between the Unified Licensee and the VNO, taking into account the factors such as area of operation of VNO, traffic commitment, quality of service commitment, etc. Further, the Unified Licensees (including the Authorization for Access Network provider) should be asked to submit an annual self-certification to the Licensor certifying the adherence to prescribed framework. In case of adoption of unfair practices by the Unified Licensees (including Access Network Providers), VNO may approach the Licensor with complete details and related documents, which may be examined by the Licensor on case-to-case basis and the Licensor, if desired, may seek the views of TRAI. **The Authority is of the view that having such a regime in place will bring in transparency in the entire process. However, if need arises in future, the Authority may review this decision.'**

Recommendations:

2.86. In view of the forgoing discussion, the Authority recommends that to bring in transparency and accountability in the entire process for VNO(s) seeking and entering into an agreement with the Access Network provider or the Unified Licensee, a broad framework should be prescribed, including the definite process in respect of application filing, application processing, defined timelines, etc. The framework should provide the process to be followed for applying for wholesale capacity/network resources along with the detailed proposal, process of acceptance/rejection by the Unified Licensees (including Access Network Providers), along with defined timelines, etc. The key elements to be included in the framework are:

a) To ensure that the terms and conditions offered to different VNOs are fair, transparent, and non-discriminatory, the Unified Licensee shall declare their Reference Offer (including commercials) on their website.

b) The Unified Licensee shall offer the wholesales services to different VNO(s), including VNO owned/promoted by itself, in transparent, fair, and non-discriminatory manner.

c) For submission and processing of application from VNOs, the Unified Licensees should provide a web-based online portal. Physical exchange of application, documents confirmations etc. should not be allowed.

d) The service delivery operator i.e., VNO shall make request to the Unified Licensee through online portal of the concerned Unified Licensee along with detailed proposal. The online portal should generate an acknowledgement of receipt of application and sent it to the e-mail IDs provided by the applicant and also place a copy on the portal with digital date and time stamp.

e) The Licensee shall share the feasibility status clearly stating acceptance/rejection (with reasons thereof, in case of rejection) of the proposal, through the online portal, with the Applicant party within 30 days. In case any additional information is required by the Unified Licensee, the Applicant may be asked for the same within 15 days of date of receipt of the application and in such case, the 30 days' time will begin from the date of provision of additional information by the Applicant.

f) Unified Licensee should be asked to submit an annual self-certification to the licensee certifying the adherence to the prescribed framework.

g) After entering into an agreement for service delivery, it should be the joint responsibility of the UL-VNO licensee and Unified Licensee to submit a digital copy of the agreement and their subsequent

modifications, if any, to the Licensor as well as to TRAI within 15 days of signing the agreement or carrying out modifications thereof, through online mode.

Q23. In case it is decided for merging the scopes of the extant Infrastructure Provider-I (IP-I) and the Digital Connectivity Infrastructure Provider (DCIP) authorization into a single authorization under the Section 3(1)(b) of the Telecommunications Act, 2023, what should be the: -

(a) Minimum equity and networth of the Authorised entity.

(b) Amount of application processing fees

(c) Amount of entry fees

(d) Any other Fees/Charge

Please support your response with proper justification.

AA Plus Consultants Response:

In case the scope of the extant Infrastructure Provider-I and Digital Connectivity Infrastructure Provider authorisations are merged into a single authorisation, following should be the: -

a.) Minimum equity and networth of the Authorised entity.

In accordance with the recommendations of the Authority vide its recommendation on 'Introduction of Digital Connectivity Infrastructure Provider (DCIP) Authorization under Unified License (UL)' dated 8.8.2023, the minimum equity and networth of the Authorised entity shall be nil.

b.) Amount of application processing fees

Application processing fees should be the minimum fee required to cover the administrative charges for registration of an applicant as DCIP authorised entity. TRAI's recommended fee of Rs.15,000 should be sufficient for the same.

c.) Amount of Entry fees

The Authority has recommended an entry fee of Rs.2,00,000 i.e. 2 lakh rupees vide its recommendation on 'Introduction of Digital Connectivity Infrastructure Provider (DCIP) Authorization under Unified License (UL)' dated 8.8.2023. We submit that this would be appropriate Entry Fee to ensure that small and medium players are able to get this authorisation while ensuring only entities that are serious would apply for the proposed DCIP authorisation.

d.) Any other fees

No other fee should be applied to the applicants of the merged DCIP authorisation.

Q24. In case it is decided not to merge the scopes of IP-I and DCIP, what changes/ modifications are required to be made in the financial conditions of -

(a) DCIP authorisation as recommended by TRAI in August 2023

(b) IP-I authorisation under the Telecommunications Act, 2023

with respect to the extant IP-I registration? Please provide a detailed response with justification.

AA Plus Consultants Response:

a. DCIP authorisation as recommended by TRAI in August 2023

The financial conditions of the proposed DCIP authorisation as recommended by TRAI are light touch and hence require no changes.

b. IP-I Authorisation under the Telecommunications Act, 2023

IP-I authorisation is a provider of passive infrastructure and as such no stringent financial conditions should be applied on it.

Q25. In case it is decided to introduce a new authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding in-building solution (IBS) by any property manager within the limits of a single building, compound or estate controlled, owned, or managed by it, then-

(a) Whether there is a need to have financial conditions associated with such an authorisation?

(b) In case your response to the above is in the affirmative, then what should be financial conditions for such an authorisation? Please provide detailed response with justification.

AA Plus Consultants Response:

No, there is no need to have any financial condition associated with such an authorisation.

Q26. Whether there is a need to change/ modify any of the financial conditions of the IXP and CDN authorisations from those recommended by TRAI on 18.11.2022? If yes, please provide a detailed response with justification(s).

AA Plus Consultants Response:

Please see our response to Q.5&6. In case a need is felt for having separate authorization for IXP and CDN services, there is no need to change/modify any of the financial conditions of the proposed IXP and CDN authorisations vide TRAI recommendations dated 18.11.2022.

Q27. Whether there is a need to change/ modify any of the financial conditions of the Satellite Earth Station Gateway (SESG) authorization from those recommended by TRAI on 29.11.2022? If yes, please provide a detailed response with justification(s).

AA Plus Consultants Response:

There is no need to change/modify any of the financial conditions of the Satellite Earth Station Gateway (SESG) authorisation.

Q28. In case it is decided to introduce a new authorisation for establishing, operating, maintaining or expanding satellite communication network under Section 3(1)(b) of the Telecommunications Act, 2023, then, what should be the financial conditions for such authorisation?

AA Plus Consultants Response:

Entry Fee:

Entry Fee may be kept at Rs.2 Lakh i.e. 2,00,000 rupees for NaaS.

Application Fee:

A minimal application fee to cover the administrative charges should be applied. Rs.5000 should be sufficient for the said purpose.

Authorisation Fee:

Up to 1% of AGR may be charged as the Authorisation fee.

Minimum Network and equity:

There should be no requirement of Minimum equity or network for NaaS authorisation.

Bank guarantees:

No Bank Guarantees (Performance Bank Guarantee or Financial Bank Guarantee) shall be obtained from the NaaS Authorised Entity.

Q29. In case it is decided to introduce an authorisation under Section 3(1) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding ground stations, which may be used to provide Ground Station as a Service (GSaaS), then:

(a) Whether there is a need to have financial conditions associated with such an authorisation?

(b) In case your response to the above is in the affirmative, then what should be financial conditions for such an authorisation? Please provide detailed response with justification.

AA Plus Consultants Response:

No, there is no need to have a financial condition associated with such an authorisation.

Q30. In case it is decided to introduce an authorisation under Section 3(1)(b) of the Telecommunications Act, 2023 for establishing, operating, maintaining or expanding cloud-hosted telecommunication networks, which may be used to provide telecommunication network as a service to the authorised entities under Section 3(1)(a) of the Telecommunications Act, 2023, then:

a) Whether there is a need to have financial conditions associated with such an authorisation?

(b) In case your response to the above is in the affirmative, then what should be financial conditions for such an authorisation? Please provide detailed response with justification.

AA Plus Consultants Response:

No, there is no need to have any financial conditions associated with such an authorisation. If any financial conditions are to be applied on this service, it should be very minimal just to cover the administrative charges.

Q31. For Mobile Number Portability Service authorisation under Section 3(1)(b) of the Telecommunications Act, 2023, should the amount of entry fee and provisions of bank guarantees be:

(a) kept same as per existing MNP license.

(b) kept the same as recommended by the Authority vide its Recommendations dated 19.09.2023

(c) or some other amount/ provisions may be made for the purpose of Entry Fee and Bank

Guarantees. Please support your response with proper justification.

AA Plus Consultants Response:

In our view, the amount of entry fee and provisions of bank guarantees be kept the same as recommended by the Authority vide its Recommendations dated 19.09.2023. The TRAI recommendations on Rationalization of Entry Fee and Bank Guarantees has been created after due consultation with all the stakeholders.

Q32. For Mobile Number Portability Service authorisation under Section 3(1)(b) of the Telecommunications Act, 2023, whether there is a need to review/ modify:

(a) Definition of GR, AGR, ApGR

(b) Rate of authorisation fee

(c) Format of Statement of Revenue Share and License Fee

(d) Norms for the preparation of annual financial statements

(e) Requirement of Affidavit

Please provide your response with detailed justification.

AA Plus Consultants Response:

No, there is no need to modify definition of GR, AGR, ApGR, Rate of authorisation fee, Format of Statement of Revenue Share and License Fee, Norms for the preparation of annual financial statements or Requirement of Affidavit.

Q33. What financial conditions should be made applicable for the migration of the existing licensees/ registration holders to the relevant new authorisations under section 3(1) (b) of the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

AA Plus Consultants Response:

Financial conditions for migration of the existing licensee/registration holders to relevant new authorisation should be as follows:

a) There should be no requirement of application processing fee

(b) In case of migration to the new Service Authorisation, the differential Entry Fee i.e. the Entry Fee applicable for the Service Authorisation in which the Authorised Entity is getting migrated minus the sum of Entry fee already paid by the Licensee in the old regime for the Service Authorisation(s) getting migrated shall be levied.

(c) In cases where the Entry Fee already paid by the Licensees of the old regime exceeds the Entry Fee to be paid now for migration to new authorisation framework, there will be no refund of the Entry Fee.

(d) The Minimum Authorisation Fee for an old licensee migrating to the new regime shall be calculated based on the Entry Fee specified under the new regime. For migrating licensees, for authorisations with 'Nil' Entry Fee, the Minimum Authorisation Fee shall be as prescribed under the new service authorisation.

Q34. In case it is proposed for introducing certain new authorisations to establish, operate, maintain or expand telecommunication networks under Section 3(1)(b) of the Telecommunications Act, 2023, what should be the respective financial conditions for each of such authorisation(s)? Please provide a detailed response with justifications in respect of each network authorisation, separately.

AA Plus Consultants Response:

No Comments.

Q35. What should be the financial conditions for the merger, demerger, acquisition, or other forms of restructuring of the entities holding network authorisations under Section 3(1)(b) of the Telecommunications Act, 2023? Please provide a detailed response with justifications in respect of each network authorisation.

AA Plus Consultants Response:

No comments.

Q36. In case it is decided to club the scopes of certain authorisations to establish, operate, maintain or expand telecommunication networks into a single network authorisation under Section 3(1)(b) of the Telecommunications Act, 2023, then, what should be the financial conditions for such authorisations? Please provide a detailed response with justifications for each network authorisation, separately.

AA Plus Consultants Response:

No comments.

Q37. Whether there are any other issues/ suggestions relevant to the fees and charges? The same may be submitted with proper explanation and justification.

AA Plus Consultants Response:

No comments.