

Reliance Communications Limited's Response to the Consultation Paper on Review of Voice Mail / Audiotex / Unified Messaging Services License

Executive Summary

- A. There is no need to have a separate standalone license for either Voice Mail or Audiotex or Audio Conferencing or Unified Messaging Services.**
- B. Any entity desirous of providing Voice Mail, Audiotex and UMS service(s) should be mandated to obtain UL or UL (VNO) with respective Access Service Authorization.**
- C. Migration of existing Voice Mail / Audiotex / Unified Messaging Services licenses to UL (VNO) Access Service Authorisation should be made mandatory.**
- D. All terms and conditions, as applicable for obtaining UL (VNO) should be made applicable for these licensees at the time of migration.**
- E. UL being technology neutral, licensees should be allowed to provide Voice Mail or Audiotex or Audio Conferencing or Unified Messaging Services using any technology based on standards approved by ITU / TEC or any other International Standards Organization / bodies / Industry.**
- F. Audiotex, Voice Mail and Unified Messaging services under UL with Access Services authorization shall have the area of operation as is applicable in UL/UL(VNO) Access Service Authorizations i.e. the Jurisdiction would be Service Area/Metro as the case may be.**
- G. The Entry Fee, Minimum Net worth and Minimum Equity requirements already prescribed for UL and UL (VNO) with respective Access Services Authorisation should be applicable for provisioning Voice Mail / Audiotex / Unified Messaging Services as well.**
- H. Voice Mail/Audiotex/Unified Messaging Services license should be subject to Annual License Fee of 8% on the AGR till migration takes place.**
- I. Definitions of GR & AGR as prescribed under UL and UL (VNO) should be applicable for these services as well.**
- J. The Performance Bank Guarantee, Financial Bank Guarantee and Application Processing Fee for Voice Mail/Audiotex/Unified Messaging Services authorisation should be same as have already been prescribed under Unified License.**

- K. **The duration of the license with Voice Mail / Audiotex / Unified Messaging Services should be aligned to the respective validity of UL and UL (VNO) with Access Service Authorisation, i.e. 20 years under UL and 10 years under UL (VNO).**
- L. **OTT service providers should be mandated to obtain UL (VNO) Access Services Authorisation for provisioning voice / messaging services.**

Preamble

1. We thank the Authority for releasing this Consultation Paper. We believe it is the right time to deal with legacy issues in the sector benefiting both users and provider of services while also ensuring due revenues to the Government. Vide present Consultation paper, TRAI has brought out various aspects of licensing of Voice Mail / Audiotex / Unified Messaging Services and provided a platform for discussion among all stakeholders on the same.
2. The technological advancements taking place in the ICT ecosystem has changed the way service can be customized and provided to the customers as per their requirements. Delivery of services like Audiotex / Voice Mail / Unified Messaging Service, are akin to providing services of the underlying network by the virtual operators. **It is felt that in line with the vision of NTP 2012, wherein segregation of Services and networks has been envisaged and in view of recently announced UL (VNO) licensing guidelines, review of the Audiotex / Voice Mail / Unified Messaging Service license and related terms and conditions is pertinent and required.**
3. **Evolution of Unified Licensing Framework for Delivery of Services.** Beginning with the National Telecom Policy (NTP) 1994, the Indian telecom sector has undergone a major process of transformation through subsequent policy reforms through NTP 1999 and the latest NTP 2012. Right through the central objective of the NTPs has been to make available affordable and effective communication facilities to the Indian citizens. The NTP 2012 has envisioned **Simplification of the Licensing Framework and creation of One Nation - One License** across services and service areas in the country.
4. Accordingly, the Gol has proposed various strategies, as given below, to achieve the objectives of NTP-2012:
 - a) **Introduction of Unified License regime** to exploit the inherent benefits of convergence and facilitate delinking of the licensing of Networks from the delivery of Services to the end users, thereby enabling operators to optimally and efficiently utilize their networks and spectrum by sharing active and passive infrastructure.

- b) **Introduction of Virtual Operators** for facilitating the resale at the service level, both wholesale and retail.
 - c) Framing of **appropriate policies for the migration of existing licensees to the new licensing framework.**
5. The DoT also decided (in 2013) that the UL would be introduced in two phases with the delinking of licensing for networks from the delivery of services being taken up in a subsequent phase. **The issuance of Guidelines for UL (VNO), on 31st May 16, was the culmination of the delinking phase of introduction of UL, wherein the delivery of services can be provided by one operator and network may be operated by a different operator.**
6. **Need for Licensing of Voice Mail, Audiotex, Unified Messaging Services.**
In 2012, TRAI in its recommendations on Grant of UL and Migration of Existing Licenses to UL, had recommended a separate 'Authorization' for Audiotex / Voice Mail / Unified Messaging Service. However, according to DoT, these services were already allowed to be provided under UL with Access Service Authorization (UL - AS) and hence, they decided against making a separate category of Authorization for these services under UL; But at the same time it also continued to issue Audiotex / Voice Mail / Unified Messaging Service license separately. It is brought out that **Audiotex, Voice Mail & UMS services are equivalent to resale of the native services of the underlying network with some value adds** and hence fall under the ambit of the recently announced UL (VNO) Authorisation. Therefore, **any entity desirous of providing Voice Mail, Audiotex and UMS service(s) should be mandated to obtain UL or UL (VNO) with respective Access Service Authorization instead of the Audiotex / Voice Mail / Unified Messaging Service license.** Any other licensing framework such as Audiotex/ Voice Mail/ Unified Messaging Service licensing should be discontinued immediately. This will also be in line with the Government's policy decision that all future licenses will be Unified License.
7. **Migration of existing Voice Mail, Audiotex, Unified Messaging Services**
On 05th July, 2016, DoT announced the Guidelines for Grant of UL (VNO) for Access Services (Category B) Authorization for migration of existing DID franchise of any TSP to district-wise UL (VNO) for Access Services latest by 31st July, 2016. These guidelines further mention that w.e.f. 01st August, 2016, all existing agreements / arrangements will be treated as null & void. Since Audiotex / Voice Mail / UMS licensees are required to necessarily obtain resources from Access Service Providers for delivery and providing access to their services, it is felt that **Access Service Authorization under UL (VNO) would be the most appropriate migration path for these licensees.** To ensure Unified Licensing is implemented across all categories of license and service authorisations, **it is recommended that**

similar guidelines and timelines should also be adopted for migration of existing Audiotex / Voice Mail / UMS licensees to UL (VNO) license with Access Services authorization.

8. **Terms and Conditions for providing Voice Mail, Audiotex and UMS services.** The contention stated in the CP, that “the guidelines for issue of licence for Voice Mail/Audiotex/Unified Messaging Services dated 16th July 2001 may not be legally enforceable on the service providers providing these services under Basic Service Licence, Unified Access Service Licence or UL”. It is brought out that these license agreement itself are very comprehensive and it is felt that they include all necessary terms & conditions such as technical, operational, security related, financial etc for providing services covered under the same. **As Voice Mail, Audiotex & Unified Messaging services are recommended to be provided under UL & UL (VNO) with Access Services authorization, terms and conditions under this license are sufficient and hence there is no need of prescribing any additional terms & conditions for the same.**
9. **Non-Level Playing Field & Loss to National Exchequer.** It is noted that provision of these services under a separate licensing regime such as Voice Mail / Audiotex / Unified Messaging Services license vis-à-vis Basic, CMTS, UASL or UL-AS / ISP, is creating a non-level playing field among different operators providing the same service. Further, it is brought out that operators provisioning these services under the UL regime are contributing towards the national exchequer through payment of the License Fee (LF) where as those operators who are provisioning services under the separate Voice Mail / Audiotex / UMS licenses are under no obligation of paying the LF. Apart from creating a non-level playing field amongst the operators provisioning same services, it is also causing financial loss to the exchequer. Some additional discrepancies are as listed below:
 - a) There is **no requirement of Entry fee** for obtaining Voice Mail / Audiotex / Unified Messaging Services license.
 - b) There is huge **variation in the amount of Bank Guarantees** that needs to be submitted to the DoT under different licenses for these services.
 - c) **Validity** of Voice Mail / Audiotex / Unified Messaging Service license is 15 years without even paying any Entry Fee, while on the other hand, UL (VNO) (AS) are valid for only 10 years with an entry fee of Rs 50 Lakhs per service area.
10. Our detailed response, to the queries raised in the consultation paper, is given below.

Q1. In view of the discussion in Para 2.13, is it necessary to have a separate standalone licence for Voice Mail Service? If so, why? Please provide detailed justification?

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Q2. If the answer to the Q1 is in the affirmative, whether the existing technical specifications need to be revised or redefined? What should be the revised technical specifications?

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Q3. In view of Para 2.17 and present technological developments, is it necessary to have a separate standalone licence for only Audiotex Service? If so, why? Please provide detailed justification?

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Q4. If the answer to the Q3 is in the affirmative, whether the existing technical specifications need to be revised or redefined? What should be the revised technical specifications?

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Q5. Whether there is a need for standalone licence for providing Audio Conferencing Service? If yes, whether the technical specifications need to be explicitly defined? Please provide detailed justification?

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Q6. If the answer to the Q5 is in the affirmative, what should be the technical specifications for providing Audio Conferencing Service?

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Q7. Is it necessary to have a separate licence for Unified Messaging Service when holding an ISP licence is mandatory to provide the Unified Messaging Service and standalone ISP licensee is also allowed to provide Unified Messaging Service? If so, why? Please provide detailed justification?

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Q8. If the answer to the Q7 is in the affirmative, whether the existing technical specifications need to be revised or redefined? What should be the revised technical specifications?

RCom Response:

There is no need to have a separate standalone license for either Voice Mail or Audiotex or Audio Conferencing or Unified Messaging Services.

1. Standalone Voice Mail or Audiotex or Unified Messaging services, apart from Audio Conferencing, have little or no relevance from service provider or consumer perspective. These services are provided using underlying network and resources of

Access service providers with innovative add ons, customized to the specific requirements of the enterprise customers. As explained in the preamble above, **any entity desirous of providing these services should obtain UL or UL (VNO) with respective Access Services Authorization.**

2. To enable the innovations, customizations and technological changes, it is recommended to broad base the definition of these services. The licensee should be able to provide services which are a set of:
 - a) Single, point-to-point and multi-party communication
 - b) Communication could be stored, recorded, or non-recorded (live voice or video)
 - c) Communication could be interactive or non-interactive
 - d) Communication could be voice, video or text
 - e) Access to the services could be through inbound voice call, outbound voice call, SMS or Internet
 - f) Access numbers could be geographic or non-geographic with:
 - i. Local or Intra-Circle access within the service area of Circle/SSA
 - ii. Or STD access from outside the service area of Circle/SSA
 - iii. Or Toll-free access from within or outside the country.
3. As far as technical specifications for providing these services are concerned, since **UL is technology neutral, licensees should be allowed to provide services using any technology based on standards approved by ITU / TEC or any other International Standards Organization / bodies / Industry.**

Recommendations:

4. **There is no need to have a separate standalone license for either Voice Mail or Audiotex or Audio Conferencing or Unified Messaging Services.**
5. **UL being technology neutral, licensees should be allowed to provide services using any technology based on standards approved by ITU / TEC or any other International Standards Organization / bodies / Industry.**

Q9. In case Voice Mail/Audiotex/Unified Messaging Service requires a licence should they be made a part of the Unified Licence as one of the services requiring authorisation? Please provide detailed justification?

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Q10. If the answer to the Q9 is in the affirmative, what should be Service Area? Whether Service Area may be similar to the Service Area of ISP (National Area,

Telecom Circle/Metro Area, Secondary Switching Area) to bring in uniformity among the Service Areas of different services? Please provide detailed justification?

RCOM Response and recommendations:

No separate authorization for Voice Mail / Audiotex / Unified Messaging Service should be made a part of the Unified Licence as the same is already covered under the Access Service Authorisation.

Audiotex, Voice Mail and Unified Messaging services under UL with Access Services authorization shall have the area of operation as is applicable in UL/UL(VNO) Access Service Authorizations i.e. the Jurisdiction would be Service Area/Metro as the case may be.

In view of the licensing obligations discrepancies highlighted in the preamble above, for creating a level playing field amongst operators provisioning same services and the introduction of UL(VNO) licensing regime, it is recommended that,

1. The present practice of issuing a separate Audiotex / Voice Mail / UMS licensing should be discontinued.
2. Any entity desirous of providing Voice Mail, Audiotex and UMS service(s) should be mandated to obtain UL or UL (VNO) with respective Access Service Authorization.
3. Audiotex, Voice Mail and Unified Messaging services under UL with Access Services authorization shall have the area of operation as is applicable in UL/UL(VNO) Access Service Authorizations i.e. the Jurisdiction would be Service Area/Metro as the case may be.

Q11. If Voice Mail/Audiotex/Unified Messaging Services is made a part of the Unified Licence as one of the services requiring authorisation, then what should be the Entry Fee?

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Q12. Whether there should be any requirement for Minimum Net worth and Minimum Equity for Voice Mail/Audiotex/Unified Messaging Services authorisation under Unified Licence?

RCOM Response:

1. To ensure a level playing field and uniformity in terms and conditions under Unified License, the Entry Fee, Minimum Net worth and Minimum Equity requirements already prescribed for UL & UL (VNO) for their respective authorizations for Access

Services should apply for providing Voice Mail, Audiotex & Unified Messaging services as under:

License	Minimum Equity (Cr.)	Minimum Networth (Cr.)	Entry Fee (Cr.)
UL (AS) [Telecom Circle / Metro Area]	2.5	2.5	1 (0.5 for NE & J&K)
UL (VNO) (AS) [Telecom Circle / Metro Area]	1	1	.5 (0.25 for NE & J&K)

- Further, in case of migration of Existing Voice Mail/Audiotex/Unified Messaging Service licenses to UL(VNO), applicants should match Minimum Networth & Minimum Equity requirement indicated above.
- Since Entry Fee was not payable for obtaining existing licenses, applicants should be required to pay the requisite non-refundable Entry Fee as well.

Recommendations:

- The Entry Fee, Minimum Net worth and Minimum Equity requirements already prescribed for UL and UL (VNO) with respective Access Services Authorisation should be applicable for provisioning Voice Mail / Audiotex / Unified Messaging Services as well.**

Q13. The annual licence fee for all the services under UL as well as for existing UASL/CMTS/Basic Service/NLD/ILD/ISP licensees have been uniformly fixed at 8% of AGR since 1st April 2013. Whether it should be made same for Voice Mail/Audiotex/Unified Messaging Services authorisation under Unified Licence? If not, why?

RCOM Response and Recommendation:

Yes, LF should be made fixed at 8% of AGR for Voice Mail / Audiotex / Unified Messaging Services also.

1. TRAI have been wary of revenue leakages resulting in loss to National exchequer due to lesser payouts in form of License Fee to the Government. To address this issue, regime of Uniform License Fee across all license have been implemented by the Government.
2. All licenses issued under Section 4 of Indian Telegraph Act attract a License Fee and accordingly, Annual License Fee at the rate of 8% of AGR is presently applicable on all UL/UASL/CMTS/Basic Service/NLD/ILD/ISP licenses. On the other hand, in spite of being issued under Section 4 of Indian Telegraph Act, Voice Mail/Audiotex/Unified Messaging Service licensees are not required to pay any License Fee.
3. It is a matter of concern that around 60 operational licenses are not paying any license fees to the Government which is not only creating non-level playing field among different licenses, but also causing huge loss to national exchequer.
4. **To remove this anomaly, we recommend that:**
 - a) **Audiotex, Voice Mail, UMS services are allowed to be provided under UL/UL (VNO) Access service authorization only in future.**
 - b) **Existing Audiotex/ Voice Mail/ UMS licenses are mandated to migrate to UL(VNO) licensing regime under Access Services authorization.**
 - c) **Revenue from Existing licenses to be subject to Annual License Fee of 8%, till migration takes place.**

Q14. In case the answer to the Q13 is in the affirmative then what should be the definition of AGR for Voice Mail/Audiotex/Unified Messaging Services authorisation under Unified Licence?

RCOM Response:

1. Since these services are recommended to be provided under UL or UL (VNO) Access Services Authorization, the **definition of GR & AGR as prescribed under**

UL (VNO) should be applicable for these services as well. Same are reproduced below for ready reference:

- a) **Gross Revenue (GR).** The Gross Revenue shall be inclusive of installation charges, late fees, sale proceeds of handsets (or any other terminal equipment etc.), revenue on account of interest, dividend, value added services, supplementary services, revenue earned from parent NSO(s), revenue from permissible sharing of infrastructure and any other miscellaneous revenue, without any set-off for related item of expense, etc.
- b) **Adjusted Gross Revenue (AGR).** For the purpose of arriving at the “Adjusted Gross Revenue (AGR)”, following shall be excluded from the Gross Revenue to arrive at the AGR:
 - i. Charges paid to its parent NSO(s). Charges paid to NSO(s) shall be limited to applicable access charges such as carriage charges, termination charges and roaming charges.
 - ii. Service Tax on provision of service and Sales Tax actually paid to the Government if gross revenue had included as component of Sales Tax and Service Tax.

Recommendation:

- 2. **Definitions of GR & AGR as prescribed under UL and UL (VNO) should be applicable for these services as well.**

Q15. What should be Performance Bank Guarantee, Financial Bank Guarantee and Application Processing Fee for Voice Mail/Audiotex/Unified Messaging Services authorisation under Unified Licence?

RCOM Response:

- 1. **The Performance Bank Guarantee, Financial Bank Guarantee and Application Processing Fee for Voice Mail/Audiotex/Unified Messaging Services authorisation should be same as have already been prescribed under Unified Licence.** The same are reproduced below for ready reference.

License	PBG (Cr.)	FBG (Cr.)	Application Processing Fee (Cr.)
UL (AS) [Telecom Circle / Metro Area]	10	2	.005
UL (VNO) (AS) [Telecom Circle / Metro Area]	-	1	.005

2. Further, in case of migration of Existing Voice Mail/Audiotex/Unified Messaging Service licenses to UL(VNO), migrants must match the requirement as indicated above as per UL (VNO) Guidelines and License conditions.
3. Application processing fee may be adjusted towards the fee already deposited at the time of obtaining existing license.

Recommendations:

4. **The Performance Bank Guarantee, Financial Bank Guarantee and Application Processing Fee for Voice Mail/Audiotex/Unified Messaging Services authorisation should be same as have already been prescribed under Unified License.**

Q16. Whether the duration of the license with Voice Mail/Audiotex/Unified Messaging Services authorisation be made 20 years as in the other licence authorisations under Unified Licence? If not, why?

RCOM Response & Recommendation:

Yes, the duration of the license with Voice Mail/Audiotex/Unified Messaging Services authorisation should be aligned to the respective validity of UL and UL (VNO) with Access Service Authorisation, i.e. 20 years under UL and 10 years under UL (VNO).

Q17. What should be the terms and conditions for the migration of the existing Voice Mail/Audiotex/Unified Messaging Services licensees to Unified Licence?

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Q18. Whether the existing Voice Mail/Audiotex/Unified Messaging Services licensees may be allowed to continue or it would be mandatory to migrate to the Voice Mail/Audiotex/Unified Messaging Services authorisation under Unified Licence?

RCOM Response and Recommendations:

1. **Migration of existing Voice Mail/Audiotex/Unified Messaging Services licenses to UL (VNO) Access Service Authorisation should be made mandatory** in line with the migration of DID Franchise guidelines to UL (VNO) issued on 05th July, 2016.
2. **All terms and conditions applicable for obtaining UL (VNO) should be made applicable for these licensees at the time of migration.**

Q19. What should be the annual licence fee for existing Voice Mail/Audiotex/Unified Messaging Services licensees who do not migrate to the Voice Mail/Audiotex/Unified Messaging Services authorisation under Unified License?

RCOM Response and Recommendation:

1. **Migration to UL (VNO) should be made mandatory for existing Voice Mail/Audiotex/Unified Messaging Services licenses.**
2. **These licenses should be subject to Annual License Fee of 8% on the AGR till migration takes place.**

Q20. Please give your comments on any related matter, not covered above.

RCOM Response and Recommendation:

1. Para 2.13 of the CP has brought out the fact that Voice Mail services are getting replaced by various other similar services and applications (Over The Top (OTT)) and hence Voice Mail services are getting redundant and not servicing any significant purpose. Since these OTT Communication Service providers using the underlying networks of Licensed TSPs (Access Service Providers), it is submitted that these **OTT service providers should be mandated to obtain UL (VNO) Access Services Authorisation for provisioning voice / messaging services.**