



08 August 2024

**Shri Akhilesh Kumar Trivedi,
Advisor (Networks, Spectrum and Licensing),
Telecom Regulatory Authority of India
Tower F, NBCC World Trade Centre,
Nauroji Nagar, New Delhi-110029**

Subject: Tata Communications Limited comments to TRAI Consultation Paper on ‘the Framework for Service Authorisations to be Granted Under the Telecommunications Act, 2023’

Dear Sir,

This is with reference to the TRAI Consultation Paper no. 07/2024 dated 11-07-2024 on ‘**the Framework for Service Authorisations to be Granted Under the Telecommunications Act, 2023**’.

In this regard, please find enclosed herewith Tata Communication Limited’s comments for your kind consideration as Annexure.

We request you to kindly consider our submissions while finalizing the recommendations and would be happy to provide any additional information, if required.

Thanking You,

Yours Sincerely,
For Tata Communications Limited,

**Alka Selot Asthana
Vice President and Head Regulatory
(Authorized Signatory)**

Enclosed: As mentioned above

TATA COMMUNICATIONS

Tata Communications Limited

VSB Bangla Sahib Road New Delhi-110 001 India . Tel + 91 11 66505200 Fax : +91 11 66501140
Regd Office : VSB, Mahatma Gandhi Road, Fort, Mumbai 400 001 India. CIN No.: L64200MH1986PLC039266
Website: www.tatacommunications.com

Tata Communications Limited's response to TRAI Consultation Paper on the Framework for Service Authorisations to be Granted Under the Telecommunications Act, 2023

Preamble

At the outset, we thank TRAI for providing us an opportunity to share our comments/inputs on this very important consultation paper on the licensing framework and regulatory mechanism for service authorizations to be granted under the Telecommunications Act 2023. This paper has significant bearing as it seeks to introduce substantial changes in the existing licensing regime and therefore, it is requested paramount to have a holistic approach while finalising these recommendations. It is further submitted that this paper also has a significant aim to establish a framework that is future proof and technology neutral for granting service authorizations in line with provisions of the Telecommunications Act 2023.

We believe that the recommendation of TRAI should bring about pragmatic changes keeping ease of doing business initiative in focus with simplicity and transparency as key factors.

In view of above, our issue wise comments / inputs are as follows:

Q1. For the purpose of granting authorisations under Section 3(1) of the Telecommunications Act, 2023, whether the Central Government should issue an authorisation to the applicant entity, as is the international practice in several countries, in place of the extant practice of the Central Government entering into a license agreement with the applicant entity? In such a case, whether any safeguards are required to protect the reasonable interests of authorized entities? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- We support the light touch authorisation framework for providing telecommunication services. As such, simplification and transparency should be a focal point while framing the Rules for grant of authorisations so as to maximise the ease of doing business for the Telecom sector.
- The Telecommunications Act, 2023 provides the framework for authorization of telecommunication services replacing the earlier Indian Telegraph Act 1885. In existing framework, license was to be obtained for establishing, maintaining and working a telegraph whereas in the new Act, as per Section 3 (1) , an authorization is required to be obtained from the Central Government , subject to terms and conditions , including fees or charges ,as may be prescribed for a) providing telecommunication services b) establishing, operating, maintaining or expanding telecommunication network; or (c) possessing radio equipment. The new Telecommunications Act 2023, specifically Section 3, provides that any person, intending to provide telecommunication services, shall obtain an authorisation from the

Government subject to such terms and conditions including fees or charges, as may be prescribed.

- At present telecom services are provided under Unified license and Unified License (VNO) regime and the license is a contract between the Licensor (DoT viz Central Government) and Licensee (Service Provider) although license for individual service is termed as service authorization for that particular service. **In our view, bilateral contractual nature of license which exists in present regime needs to be retained while individual services can be added to this Universal License through specific Authorization.** We request TRAI to ensure that there is adequate operational & regulatory certainty and predictability for the existing service providers as they migrate to the authorization regime to support innovation and investments in the sector.
- Present license regime under Indian Telegraph Act 1885 has come in vogue from August 2013 for Unified License and from June 2016 for Unified License VNO, which was followed by license reforms that were issued in October 2021 effective 1.10.2021
- We have certain concerns regarding the likely transition to new regime, and would like these to be addressed:
 - Diminished Legal Recourse: The replacement of the license agreement with a potentially unilateral authorization could undermine the legal standing of licensees. License agreements provide a structured legal framework that enables licensees to challenge any arbitrary or unilateral terms imposed by the DoT as these are recognized under Contract Law as well. A unilateral authorization may lack the same legal rigor, making it more challenging for licensees to seek redressal in case of disputes. Hence, we would request for individual authorisations to be kept under the overall aegis of Unified License.
 - Risk of Unilateral Changes: License agreements offer a degree of protection against sudden and unilateral changes by the regulator. A shift away from the license agreement may empower the DoT to introduce new terms by way of Rules under the new Act without sufficient consultation, which is presently mandatory under TRAI Act for license agreement, potentially leading to possibility of unfair conditions for licensees. Statutorily, there should be an obligation for the Government to seek recommendations from TRAI in case of promulgation or amendments of Rules governing the terms and conditions of Authorisations.
 - Impact on Business Stability: The proposed changes in the existing license agreements may impact the predictability and stability provided by this regime which is crucial for business planning and investment decisions. The proposed changes may introduce uncertainties that could affect the confidence of investors and stakeholders in the telecom sector, ultimately impacting the industry's growth and innovation. Thus, it is imperative to assess the extent of positive impact of changes being proposed and only those which substantially improve the ease of doing business and catalyse economic growth need be adopted.
 - Need for Stakeholder Consultation: Any significant regulatory changes including changes, promulgation, variances in terms and conditions of Authorization Rules should be preceded by comprehensive consultations with all stakeholders. This inclusive approach ensures that the views and concerns of licensees /authorized Entities are considered, leading to more balanced and effective regulatory policies.

- **It is our submission that present License regime has matured over this decade and any wholesale changes in the present license regime may be avoided in the interest of regulatory certainty.** However, pragmatic changes in the present licensing regime which lead to ease of doing business and boost economic growth of the sector, may be considered after a more comprehensive consultation before formulating the Rules.
- Yes, safeguards are required to protect reasonable interests of the Authorized Entities. In the earlier Act, the services were being licensed by Licensor i.e. DoT by entering into license agreement with Licensees who wish to provide the services. The terms and conditions of such license agreement are, as recommended by TRAI under Section 11 of the TRAI Act and as approved by the Government. If any change in terms and conditions of the license agreement is required to be done the same requires consultation with TRAI and TRAI recommends on the changes after consulting all the stakeholders. Thus, there is a system of checks & balances and reasonable regulatory certainty when a licensee signs a license agreement for a service. It is for this reason only of Section 11 TRAI Act requirement that the Central Government has sent a reference to TRAI to recommend terms and conditions of the Rules to be prescribed under the new Act for provision of telecom services.
- **To safeguard the interest of the Authorized Entities, it should be clearly mentioned in the draft terms and conditions of the Authorization that any changes in the terms of the Authorization will be done only after following the process required under Section 11 of the TRAI Act of consulting TRAI.** This will bring in regulatory certainty as well as transparency in the licensing process and will remove probability of any unilateral change in the terms of authorization and will go a long way in protecting interest of the proposed Authorized Entities.
- Unified License can continue as an overlay while individual services can be managed through authorisations. The main outcome of this exercise needs to be easy, smooth, transparent, rule-based and time-bound process of granting and withdrawal of authorisations. The aim, thus, should be to bring significant benefits, including simplification, streamlined processes, increased flexibility, economic well-being and enhanced strength for the eco-system. However, it is essential to implement appropriate safeguards to protect the interests of authorized entities and ensure a stable and fair regulatory environment.
- Some of the safeguards are suggested as follows
 - Regulatory Stability:
 - Simplification and Transparency should be the focal point while drafting the Rules.
 - The rules should ensure regulatory stability by way of providing clear guidelines on the authorization process, including the criteria for granting, renewing, and revoking authorizations.
 - Any change in the draft terms of the Authorization will be done only after following the process required under Section 11 of the TRAI Act of consulting TRAI for its recommendations.
 - There is a need to ensure that the regulatory framework remains consistent and predictable to provide business certainty for all existing licensed telecom service providers.
 - Non-telecom services to continue to be kept outside the purview of Authorization.

- Services not expressly included in the Authorisation framework should remain outside the ambit of governance. This would ensure that technology advancement and innovation does not get hampered by lack of express authorisation.
- Financial safeguard:
 - The Authorization fees should be reasonable and proportionate to the services provided, avoiding excessive financial burdens on licensed telecom service providers.
 - The license fee regime should be simplified and made less burdensome. The license fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund.
 - The collection of License Fees could be clubbed with the GST regime, making its administration systematic and rational.
 - Rationalization of taxes is one of the most important reforms required to boost the financial health of the telecom sector today. Telecom levies and taxes are high in India, compared to other countries and reducing it to an optimal level may create traction among new investors to invest in telecom sector in India.
 - In the Authorization, adequate provision should be made to allocate funds from Digital Bharat Nidhi for incentivizing Authorized Entities who are promoting connectivity in commercially non-viable / security sensitive rural /remote and urban areas especially with alternative and innovative technologies.
 - Simplified Exit Policy: The Authorization should have a provision to provide a simplified exit policy for Authorized Entities owing to reasons such as closure of business, merger and de-merger. Such “deauthorisation” should be done in a time-bound manner and without regulatory delays and allow entities to make business decisions and make optimum use of assets. In case an Authorized Entity does not hold any access spectrum, winding down of such telecom business should follow only NCLT process without any additional conditions or approvals from DoT. Additionally, there should be an easy exit for the listed companies. The current regime of Reverse Book Building makes it almost impossible to de-list it from the bourses. This needs to be simplified so that a listed entity can close their business by way of merger/de-merger.
 - Duplication of governance and controls should be avoided. For example, audited accounts should suffice for the deductions instead of requirement of additional documentary proofs.
- Operational Safeguard:
 - The new framework should ensure that authorized entities can continue to operate without undue interruptions, even in cases of regulatory changes or disputes. The Application for authorization(s) under the new regime should be a systematic, time bound and smooth process.
 - Flexible Spectrum framework under Authorization: Present regulatory and licensing framework does not adequately deal with the need of spectrum for ISPs & Enterprise Service Providers to meet the requirements of Broadband & B2B market Current terms such as large quantum of spectrum, extensive rollout obligation and high reserve prices for spectrum put up in the auction

from retail uses perspective make it un-viable for Enterprise telecom service providers / ISPs to participate in the auctions. Moreover, existing spectrum trading and sharing guidelines are only applicable to Access Service Providers and there are no spectrum leasing guidelines for B2B providers. This restrictive spectrum framework leads to several business challenges for Enterprise Service Providers in meeting the connectivity requirements and broadband services. There is no dedicated licensed band spectrum available currently for Enterprise Service Providers to meet the exponentially growing connectivity requirements of Enterprise customers. Fiber connectivity is a major challenge in most locations due to complex and time-consuming RoW permission process and exorbitantly high RoW charges. Administrative allocation of spectrum to enterprise service providers in appropriate band should be permitted under the Rules to be made for spectrum allocation.

- Flexibility to use any technology / platform to offer services Communication is a fast evolving technological landscape and it is not feasible for the authorisations or licenses to be prescient on all aspects. Hence it is expedient to not limit the authorisations to a few technologies, rather flexibility be provided to the service providers to choose, maintain, interconnect and upgrade technologies. There should be a flexibility for Authorized Entity under the Authorization to offer communication services irrespective of technology and/or platform (Cloud Computing, SDN, NFV etc.) being used in order achieve higher operational efficiency provided same should be able to demonstrate Lawful Interception capability. Introduction of new technologies in future, which cannot be conceptualized at this point in time, should also be a simple matter of applying for new authorisations. Further, networks and services such as CNPN, PPDR, M2M should be treated as individual services and interested parties should be allowed to apply for authorisations based on commercial interest and technical abilities. 5G and subsequent advancements of telecom technology are premised on the amalgamation of Telecom, Information Technology, and other sector specific requirements such as Health-tech, Fin-tech etc. The rules must accommodate the varied complexities of the network requirements of evolving landscape and promote several classes of network service providers.
- Surrender of Authorization: The process related to the acceptance of the surrender of Authorization and issuance of NOC should be made time bound and efficient. Further, there should be a time limit defined for release of bank guarantees associated with the surrendered Authorization. There should be provision in the Rules to ensure that the Bank Guarantee(s) get returned in a time bound manner under single window system.
- The aspects such as minimum presumptive licence fee, minimum roll-out obligations, monitoring and compliance, allocation of resources, etc. should be a matter of holistic assessment, rather than present system of performance under each authorization being measured individually.
- Regulatory reporting requirements should be minimal and should be done through online portal only.

Q2. Whether it will be appropriate to grant authorisations under Section 3(1) of the Telecommunications Act, 2023 in the form of an authorisation document containing the essential aspects of the authorisation, such as service area, period of validity, scope of service, list of applicable rules, authorisation fee etc., and the terms and conditions to be included in the form of rules to be made under the Telecommunications Act, 2023 with suitable safeguards to protect the reasonable interests of the authorised entities in case of any amendment in the rules? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- We suggest that the Unified License may be an overlay contractual arrangement with key crucial aspects included for setting up a secure and stable relationship between the licensor and licensee. The individual authorisations for the services can specify the aspects related to the particular authorisation. In absence of a proper and comprehensive legal arrangement, the sector shall face business /regulatory uncertainty.
- Individual authorisations should provide a transparent, systematic and unambiguous framework for the service providers. It is necessary to not only include the essential aspects of the authorisation, such as service area, period of validity, scope of service, list of applicable rules, authorisation fee etc but also to allow the remaining unspecified aspects to the market forces.
- Provision of telecom service is an infra intensive business, and it is desirable to have regulatory certainty in the terms of Authorization for these services. Referring to any applicable Rules will make the Authorization document vague and uncertain. Applicable Rules which are made for the purpose of grant of such Authorization or which include terms of such authorization should be governed by extant provisions of the Telecommunications Act, 2023 as well as Section 11 of the TRAI Act to safeguard the interests of the proposed Authorized Entities and Rules should be promulgated only after consulting TRAI as per Section 11 of the Act. Any change in the applicable Rules prescribing terms and conditions of the Authorization should be done after following process under Section 11 of the TRAI Act and same needs to be specifically mentioned in the terms and conditions of Authorizations for services as well as in the Rules.
- Thus, irrespective, all the applicable Rules which form part of or impact terms and conditions under which Authorization will work and service will be provided by the Authorized Entities, such applicable Rules should be framed only post due consultation with TRAI under Section 11 of the TRAI Act and any changes in the terms and conditions of such Applicable Rules should also follow the same process.

Q3. In case it is decided to implement the authorisation structure as proposed in the Q2 above, -

- (a) Which essential aspects of authorisation should be included in authorisation documents?**
- (b) What should be the broad category of rules, under which, terms and conditions of various authorisations could be prescribed?**
- (c) Whether it would be appropriate to incorporate the information currently provided through the extant Guidelines for Grant of Unified License and Unified**

License for VNO, which included, inter-alia, the information on the application process for the license, eligibility conditions for obtaining the license, conditions for transfer/ Merger of the license etc., in the General Rules under the Telecommunications Act, 2023?

(d) What could be the broad topics for which the conditions may be required to be prescribed in the form of guidelines under the respective rules?

Kindly provide a detailed response with justifications.

Tata Communications' Response:

We suggest the overlay license agreement with a simplified approach for individual authorisations as suggested in response to Q.2 above to have visible benefits from the same.

- A standard, simplified Authorization document is proposed containing scope of service, service area, period of validity, Applicable Entry / Authorization Fees & Applicable list of Rules.
- Broad Category of Rules for the Unified License can be General Conditions, Financial Conditions, tariff, Technical Conditions, Operating Conditions, Security related conditions. All these Rules should be framed in consultation with TRAI under provisions of Section 11 of the TRAI Act and no changes to such Rules be made by the Central Government without following the due process of consultation with TRAI. This will ensure transparency and a system of checks and balances, as envisaged in the statutory scheme.
- It would be appropriate that separate Guidelines are issued for Grant of Authorization which include, inter-alia, the information on the application process for the authorization, eligibility conditions for obtaining the authorization, conditions for transfer/ Merger of the authorization etc. as is being done for license regime under the old Act. Further, the Scope of all existing Unified license services should also be reviewed and updated with the technology advancements.

Q4. In view of the provisions of the Telecommunications Act, 2023, what safeguards are required to be put in place to ensure the long-term regulatory stability and business continuity of the service providers, while at the same time making the authorisations and associated rules a live document dynamically aligned with the contemporary developments from time to time? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- Previous License Regime was introduced in 2013 for Unified License and Unified License VNO in the year 2016. Comprehensive changes were done in the year 2021 as part of telecom reforms wherein contentious license fee related issues were simplified in accordance with TRAI recommendations of 2015. Since a new Authorization regime is being promulgated under the new Telecommunications Act, 2023 in place of existing unified license regime under the old Act, it gives us an opportunity to make changes in the regime wherever required to promote ease of doing business initiative. However, despite the importance of the issues involved and their long-term ramifications, time during which this very important Consultation

is to be completed including giving recommendations appears to be inadequate and any whole sale changes may therefore be avoided barring those made which have compelling reasons and logic of ease of doing business. Having said that it is our submission that any changes from the terms and conditions in the existing license regime while devising new Authorization regime should be such that it should be better than existing terms in the old regime and new Regime should provide for an almost automatic path for migration to the new regime depending upon willingness of the licensee.

- Frequent changes in the Authorization regime should be avoided in the interest of regulatory certainty and stability once the terms are decided. Any change in the terms of the Authorization including changes in the Applicable Rules for the Authorization should be done in consultation with TRAI as per provisions of Section 11 of TRAI Act and that this would be done, should form part of the Authorization document to be issued by the Central Government to the Authorized Entity.
- There should not be any unilateral power with the Government to change the terms of Authorizations and/or applicable Rules in the name of making the authorisations and associated rules a live document dynamically aligned with the contemporary developments from time to time and changes should be made as per statutory scheme and with total transparency and in a non- discriminatory manner.
- To ensure long-term regulatory stability and business continuity for service providers under the Telecommunications Act, 2023, while keeping authorizations and associated rules dynamically aligned with contemporary developments, several safeguards need to be put in place.
 - Regulatory Stability
 - (a) Clear and Predictable Framework:
 - Detailed Guidelines: The government should provide clear and comprehensive guidelines on the authorization process, criteria for granting, renewing, and revoking authorizations. This reduces uncertainty and improves investor confidence.
 - Consistency in Regulations: Maintaining consistency in the regulatory framework ensures that service providers can plan their investments and operations with a long-term perspective.
 - Absence of a particular technology or arrangement should not automatically be construed as it being disallowed
 - (b) Stakeholder Consultation:
 - Regular Consultations: Implementing a mechanism for regular stakeholder consultations before making significant regulatory changes ensures that the interests of service providers are considered. This helps in maintaining a stable regulatory environment.
 - Transparent Amendment Procedures: Establishing clear and transparent procedures for amending rules and regulations ensures that changes are predictable and well-communicated.
 - Business Continuity
 - (a) Financial Safeguards:
 - Reasonable Fees: Ensuring that authorization fees are reasonable and proportionate to the services provided prevents financial burden on service providers.

- (b) Operational Safeguards:
 - Service Continuity Provisions: Regulations should ensure that service providers can continue their operations without undue interruptions, even in cases of regulatory changes or disputes.
 - Dispute Resolution Mechanism: Establishing a robust dispute resolution mechanism can help in efficiently addressing conflicts between the government and service providers.
- Dynamic Alignment with Contemporary Developments
 - (a) Flexible Regulatory Framework:
 - Adaptive Rules: Including terms and conditions in the form of rules allows for easier updates and amendments as the regulatory environment evolves. This flexibility is crucial in the fast-paced telecom sector.
 - Periodic Reviews: Conducting periodic reviews of the regulatory framework ensures that it remains relevant and aligned with technological advancements and market changes.
 - (b) Innovation and Technology Development:
 - Support for R&D: Expanding the scope of the Universal Service Obligation Fund to include support for research and development of telecommunication services, technologies, and products can foster innovation³.
 - Standards and Conformity Assessment: Setting standards and conformity assessment measures for telecommunication services and networks ensures that the regulatory framework keeps pace with global technological developments⁴.
- Implementing these safeguards will ensure long-term regulatory stability and business continuity for service providers while keeping the authorizations and associated rules dynamically aligned with contemporary developments. This approach will create a stable, predictable, and flexible regulatory environment that supports innovation and growth in the telecom sector.
- Further, we have suggested various other safeguards to be ensured with an objective to have simplified approach in the response given on Q1 above and same should be duly considered by TRAI while giving its recommendations.

Q5. In addition to the service-specific authorisations at service area level, whether there is a need for introducing a unified service authorisation at National level for the provision of end-to-end telecommunication services with pan-India service area under the Telecommunications Act, 2023? Kindly justify your response.

Tata Communications' Response:

- Yes, in addition to the existing service-specific authorisations at service area level, there is a need for introducing a unified service authorisation at Overlay level for the provision of end-to-end telecommunication services with pan-India service area under the Telecommunications Act, 2023.
- Service specific authorisations can exist on a subordinate layer, allowing the licensee to choose services based on commercial and technical considerations. This may enable an

efficient network design, optimization of infrastructure by eliminating duplicate/ redundant infrastructure and provision of full range of services using any media. Such a unified service authorisation could include in its scope the provision of all kinds of services including Access Service, Internet Service, NLD Service, ILD Service, Mobile Radio Trunking Service, Satellite-based Telecommunication Services, etc., so that the authorized entity may provide end-to-end telecommunication services, which are permitted under the Telecommunications Act, 2023.

Q6. In case it is decided to introduce a unified service authorisation at National level for the provision of end-to-end telecommunication services-

(a) What should be the scope of service under such an authorisation?

Tata Communications' Response:

- Yes, there is a need for introducing a unified license at National level for the provision of end-to-end telecommunication services with pan-India service area under the Telecommunications Act, 2023.
- The authorisation framework should allow the licensees to add and delete services on a portal, in a time-bound and rule-defined manner. There should not be separate eligibility criteria for each service, license fee and roll-out obligations should also be assessed on the overlay license and not individual services. Services such as CNPN, VNO, M2M, Bandwidth, Satellite services etc. can be simply individual authorisations, with minimum hurdles for a authorised entity to start operations.

(b) What terms and conditions (technical, operational, security related, etc.) should be made applicable to such an authorisation?

(c) Would there be a need to retain some of the conditions or obligations to be fulfilled at the telecom circle/ Metro area level for such an authorisation?

Tata Communications' Response to Q6 (b) & (c):

- The existing terms in the UL regarding technical, operational and security related issues are required to be made applicable to the N Unified License
- There is a need to review / relook on various existing terms and conditions and outdated / obsolete conditions to be updated / removed. We have suggested removal of some of the conditions and updation in security clauses as specified in Annexure – I and II. Same may kindly be considered.

(d) Should assignment of terrestrial access and backhaul spectrum be continued at the telecom circle/ Metro area level for such an authorisation?

Tata Communications' Response:

- The present regulatory framework does not deal with the need of spectrum to meet the requirements of B2B market the terms of spectrum acquisition such as large quantum, rollout obligation and high reserve prices for spectrum are designed with retail users' perspective.
- As the range of services offered to and required by the Enterprises are distinct from the retail access services, the requirement of usage of spectrum is different for B2B and B2C

telecom market . Hence, spectrum availability with same high reserve price with stringent retail focused rollout obligations make a business case commercially unviable for the B2B Service Providers incl. ISPs/ Enterprise service providers to participate and acquire spectrum in the auctions. Moreover, the existing spectrum trading and sharing guidelines are only applicable to B2C Access Service Providers; spectrum leasing guidelines do not exist. Utilisation of spectrum is not being assessed for the entire ecosystem as a whole, leading to large chunks remaining unutilised and sections of consumers getting insufficient standard of services.

- There is no dedicated licensed band spectrum available currently for Non-Access Service Providers to meet the exponentially growing connectivity requirement of Enterprise customers.
- The deployment of private networks by Enterprise in India is at nascent stage and ecosystem for Captive Non-public Network (CNPN) use cases is dependent upon the availability of wireless spectrum for Enterprises in an affordable manner. Presently, despite having CNPN license framework in place, there is no take-off of deployment of private networks because spectrum is not available.
- This restrictive spectrum framework led to several business challenges for Enterprise Service Providers in meeting the Enterprises connectivity requirements needed by them for their digital transformation journey and connectivity- based services.

In view of the above issues, we strongly recommend as follows:

- Under the Authorisation framework, all licensed entities should be eligible to acquire requisite spectrum (access as well as backhaul) under the Unified License. The mechanism for allocation can be fixed basis the demand, supply and global practices. Spectrum is a natural scarce resource and acquisition of the spectrum should not be linked to any specific authorisation service or technology Also, all licensed entities should be eligible to participate in spectrum sharing, trading and leasing activity.
- The Spectrum framework should not be for any specific authorisation exclusively; all licensed Service Providers irrespective of service authorisations incl. ISPs should be allowed access to resources such as spectrum for meeting the connectivity requirements efficiently. The spectrum allocation mechanism and associated terms should be different for B2B market, considering the size of demand and supply, present auction framework is designed for retail usage.
- The purpose / use of spectrum should be criteria for spectrum allocation, determination of pricing, rollout obligation, quantum etc. The roll out obligations' interpretation for access spectrum to be deployed for B2B market should be different with Enterprise based targets.
- The Government should explore possibilities to allocate spectrum for other service providers besides retail access service providers, in suitable non IMT bands, for services such as CNPN and M2M & IoT.
- Satellite broadband communication services: The Telecommunications Act, 2023 provides administrative assignment of radio backhaul spectrum for telecommunication services & Satellite based service incl. Teleport and for National Long Distance, International Long-Distance providers for the services to be provided in accordance with the scope of their service authorization. Government is requested to expedite the finalisation of terms of reference for administrative allocation of spectrum for Satellite broadband communication services particularly for LEO and 5G IoT, incl. frequencies that will be used, the pricing of spectrum, eligibility conditions and the terms and conditions to be met with regards to national security.

- (e) Any other suggestion to protect the interest of other authorised entities/ smaller players upon the introduction of such an authorisation.

Tata Communications' Response:

No Comments.

Kindly provide a detailed response with justification.

Q7. Within the scope of Internet Service authorisation under the Telecommunications Act, 2023, whether there is a need for including the provision of leased circuits/ Virtual Private Networks within its service area? Kindly provide a detailed response with justifications.

Q8. In case it is decided to enhance the scope of Internet Service authorisation as indicated in the Q7 above, -

- (a) What should be terms and conditions (technical, operational, security related, etc.) that should be made applicable on Internet Service authorisation?
- (b) Any other suggestion to protect the reasonable interests of other authorised entities upon such an enhancement in the scope of service.

Kindly provide a detailed response with justifications.

Tata Communications' Response to Q 7 & 8:

- There is no need for including the provision of leased circuits/ Virtual Private Networks within the scope of Internet Service authorisation under the Telecommunications Act, 2023, within its service area.
- Provision of leased circuits is within the domain of NLDOs as per the current licensing regime which is in the nature of long-distance license and is not permissible under the ISP license. Grant of this additional service in the scope of Internet Service Authorisation to ISPs would adversely impact the financial viability of long-distance authorizations viz NLD & ILD authorizations. Because of tremendous decline in the NLD & ILD voice revenues due to death of domestic long-distance voice (STD) services & its revenues and proliferation of OTT voice services respectively, the financial viability of NLD/ILD Authorization depends upon the leased circuit/VPN service revenues only. Sharing of this right and privilege with numerous existing ISPs will adversely impact the long-distance authorized Entities.
- In fact, there is a judgment by TDSAT dated 03rd May 2005 which holds that ISPs cannot provide VPN services. In this connection, please see relevant extract from TRAI recommendations dated 16.08.2005 on the issue of Entry Fee And Licence Fee For ISP Licence with Virtual Private Network (VPN) which is reproduced below:

"1.2. The Hon'ble TDSAT in its order dated 3rd May, 2005 on ISP-VPN case has upheld DOT's view that VPN was not allowed as a part of ISP license, it, therefore, becomes a separate service. Further TDSAT's order stated that the quantum of entry

fee and revenue share if required to be charged for a separate service from the service provider would require the recommendations of TRAI as per Section 11 (1) (a) (i) & (ii) of TRAI Act. “

- Scope of service of ISP license was increased enabling them to provide VPN services in November 2005 by creating a new ISP with VPN service license wherein the annual licence fee was kept at 8 per cent of the gross revenue generated under the licence and Entry fee was kept as Rs 100 million, Rs 20 million and Rs.10 million for category A, B, and C, respectively. ISP-with-VPN licensee was permitted to lay optical fibre cable or use radio links for provision of the services in its service area. However, this license was never used by the ISPs and this category was abolished later on.
- In such a view of the matter, it may not be advisable to enhance the scope of ISP authorization as suggested above by including the provision of leased circuits/ Virtual Private Networks within its service area.
- If scope of service of Internet Service authorisation under the Telecommunications Act needs to be increased it would be more appropriate to grant them the right to provide internet telephony services using E.164 numbering scheme and all value-added services using internet telephony platform. This would also create some competition to OTT based internet telephony services.
- As suggested earlier, service-based authorisations need not be technology specific or restrictive. Newer technology combinations are evolving rapidly and creating limitations by way of restrictive authorisations would defeat the purpose of simplification.

Q9. Whether there is need for merging the scopes of the extant National Long Distance (NLD) Service authorization and International Long Distance (ILD) Service authorization into a single authorisation namely Long Distance Service authorisation under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- Yes. there is a definite need for merging the scopes of the extant National Long Distance (NLD) Service authorization and International Long Distance (ILD) Service authorization into a single authorisation namely Long-Distance Service authorisation under the Telecommunications Act, 2023. Revenues under NLD service license have come down substantially due to decline in inter- Circle (LSA) voice service revenues.
- Moreover, there has been steep decline in international voice traffic in both the directions due to OTT voice services which has adversely impacted the revenues of NLDOS and ILDOs.
- Even in the space of leased circuits and VPNs, there are unlicensed players providing SDWAN services in India leading to erosion of revenues as well as unlicensed App based VPN service providers which are also constituting a security issue apart from erosion of revenues both for long distance licensees and the Government.
- All of the aforesaid has led to revenue erosion of NLD/ILD licensees and it would therefore be in the fairness of the things to merge the two existing authorizations to create a single long distance service authorization.
- Moreover, merger of both NLD and ILD service authorisation would also lead to reduction of compliance burden by half such as AGR filing, reporting etc as also reducing the regulatory reporting burden on long distance service providers.

- It is important to create a level playing field between licensed and un-licensed service providers in all variants of services. Services such as Data Center, WAN, Dark Fibre, VPNs, Call Center services etc. must either be allowed only to licensed and authorised players or licensed providers should treat these services outside of scope of the license and/or authorisation.

Q10. In case it is decided to merge the scopes of the extant NLD Service authorization and ILD Service authorization into a single authorisation namely Long Distance Service authorisation under the Telecommunications Act, 2023, -

- (a) What should be the scope of service under the proposed Long Distance Service authorisation?**
- (b) What terms and conditions (technical, operational, security related, etc.) should be made applicable on the proposed Long Distance Service authorisation?**
- (c) Any other suggestions to protect the reasonable interests of other authorised entities upon the introduction of such an authorisation?**

Kindly provide a detailed response with justifications.

Tata Communications' Response:

The suggested scope of Long-Distance Service provider (National and International) should be as follows:

- Right to carry switched bearer telecommunication traffic over international long-distance network for providing International connectivity to the network operated by foreign carriers and to carry inter-circle switched bearer telecommunication traffic over its national long-distance network.
- The long-distance payload traffic could be carried over through any form of data pipeline, whether through fiber, satellite, or radio.
- The long-distance traffic within the country will also include carry intra-circle switched traffic where such carriage is with mutual agreement with originating access service provider.
- To provide / provision International Private Leased Circuits/CUG network and leased circuit/ VPN within the country.
- The authorised entity can approach end customers for provision of provision of national long distance/ International Long distance voice service through Calling Cards.
- Right to establish Cable Landing Station (CLS) for submarine cable with prior permission of Licensor.
- The Authorised entity can offer access to bottleneck facilities at the Cable Landing Stations (CLS) including landing facilities for submarine cables for licensed operators
- The Authorised entity may offer international bandwidth on lease to other eligible licensees who are permitted to have international connectivity under their license. It may provide international bandwidth on lease to Resellers who are issued license for 'Resale of IPLC'. It can offer National long-distance bandwidth to other authorised entities.
- The authorised entity can also provide connectivity to the service providers which have obtained registration for M2M service.
- The authorised entity can also, in respect of Basic Service, make mutually agreed arrangements with the concerned Service Providers for picking up, carriage and delivery of

the traffic from different legs between Long Distance Charging Center (LDCC) and Short Distance Charging Centers (SDCCs).

- Permitting establishment of domestic or NLD connectivity over subsea route within Indian territorial waters.

Q11. Whether there is need for merging the scopes of the extant GMPCS authorization and Commercial VSAT CUG Service authorization into a single authorisation namely Satellite-based Telecommunication Service authorisation under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- Satellite authorisations can be a separate category of authorisation and entities can apply for GMPCS or VSAT or Satellite backhaul based on business case and market dynamics.

Q12. In case it is decided to merge the scopes of the extant GMPCS authorization and Commercial VSAT CUG Service authorization into a single authorisation namely Satellite-based Telecommunication Service authorisation under the Telecommunications Act, 2023,-

- (a) What should be the scope of service under the proposed Satellite-based Telecommunication Service authorisation?
- (b) What should be terms and conditions (technical, operational, security related, etc.) that should be made applicable on the proposed Satellite-based Telecommunication Service authorisation?
- (c) Any other suggestion to protect the reasonable interests of other authorised entities upon the introduction of such an authorisation?

Kindly provide a detailed response with justifications.

Tata Communications' Response:

Please see response to Q 11.

Q13. Whether there is a need for merging the scopes of the extant Infrastructure Provider-I (IP-I) and DCIP authorization (as recommended by TRAI) into a single authorisation under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- Infrastructure Providers Cat -I came into existence in the year 2000 when the Department of Telecommunications (DoT) invited applications for IP-I (Infrastructure Providers Category-I) registrations .The scope of IP-I was limited to providing passive assets such as Dark Fibre, Right of Way, Duct space, Tower & Poles on lease/ rent out/ sale basis to licensees of telecom services on mutually agreed terms and conditions. There are about 1525 Entities who are holders of IP-I registration which is issued under Section 4 of the Indian Telegraph Act as

amended and thus at par with other telecom service licenses in statutory terms however no license fee /entry fee was imposed.

- Authorisations for Infrastructure service providers can be expanded to encourage the concept of Neutral Host and support various licensed service providers with underlying infrastructure.
- In view of the above, yes, there is a need for merging the scopes of the extant Infrastructure Provider-I (IP-I) and DCIP authorization (as recommended by TRAI) into a single authorisation under Section 3 of the Telecommunications Act, 2023 to be named as DCIP authorization.

Q14. In case it is decided to merge the scopes of the extant IP-I and DCIP (as recommended by TRAI) into a single authorisation under the Telecommunications Act, 2023, -

(a) What should be the scope under the proposed authorisation?

(b) What terms and conditions should be made applicable to the proposed authorisation?

Kindly provide a detailed response with justifications.

Tata Communications' Response:

- Scope, terms and conditions should be in accordance with TRAI recommendations on 'Introduction of Digital Connectivity Infrastructure Provider (DCIP) Authorization under Unified License (UL)' dated 08th August 2023.

Q15. Whether there is a need for clubbing the scopes of some of the other authorisations into a single authorisation under the Telecommunications Act, 2023 for bringing more efficiency in the operations? If yes, in your opinion, the scopes of which authorisations should be clubbed together? For each of such proposed (resultant) authorisations, -

(a) What should be the scope of the service?

(b) What should be the service area?

(c) What terms and conditions (technical, operational, security, etc.) should be made applicable?

Kindly provide a detailed response with justification.

Tata Communications' Response:

A single Unified License with various services' authorisations as underlay is our recommendation as answered in earlier questions. A separate UL-VNO has not proven much relevant for the Indian network. Authorisation for VNO , M2M, CNPN etc. can all be individual authorisations.

Q16. Whether there is a need for removing some of the existing authorizations, which may have become redundant? If yes, kindly provide the details with justification.

Tata Communications' Response:

- Digital Communications can be broadly categorized into four major layers consisting of (i) Application Layer (ii) Service Layer (iii) Network Layer and (iv) Infrastructure Layer. Under the new Authorization regime, authorization would be required for Infra Layer, Network Layer &

Service layer. Various application services and most value-added services offered today fall under the application layer. Application providers use the underlying networks and/or internet services to provide applications services. Services like Audio Conferencing/Audiotex/Voicemail operate in the application layer and should therefore need to be removed from requirement of Authorization. It has been the consistent of TRAI in its earlier recommendations which is reproduced below:

- a. *Para 2.118 of TRAI's recommendation on Spectrum Management and Licensing Framework dtd. 11th May 2010 stated: "Pure value-added services i.e., Voicemail/Audiotex/UMS need not however be brought under this (Unified License Fee) regime."*
 - b. *TRAI's recommendations on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd. 16th April, 2012 Section III, pg 28 recommends, simplistic Licensing through Authorisation for Audiotex and other such Value Added Services. It further gives clear recommendations regarding other Technical and Security conditions that should be followed by the Licensee and right of the Licensor.*
 - c. *TRAI Recommendations on Application Services dated. 14 May 2012, recommended at Para 1.15 that the definition of value added services given in the various licences seems to be restricted and does not cover new application services. Therefore, the Authority at Para 1.19 opined that it will be better to represent value added services as application services and provide a definition of application services such that it is able to accommodate various applications being provided currently as well as which will be provided in future through telecom networks. And therefore, it recommended a broad definition of Application Services at Para 1.20 that Application services are enhanced services, in the nature of non-core services, which either add value to the basic tele services or can be provided as standalone application services through telecommunication network. The basic services are standard voice calls, voice/non-voice messages, fax transmission and data transmission.*
- Similarly, other services which are not exclusive to Licensed players such as Platform services, Wi-Fi, SDWAN, etc. should be kept out of License and Authorisations so that the licensed entities are not put to any disadvantage.
 - While considering the licensing framework and DoT notification for Category of 'Other Service Providers' (OSP) dated 5th August 2008, the Authority at Para 2.14 recommends that *"...the applications service providers could also be covered under the Other Service Provider Category and could be registered with DoT. But this registration process may not entitle them of benefits available under licensing through Section 4 of the Indian Telegraph Act, 1885."*
 - Further in Para 2.18 the Authority opined that in the provisioning of application services, there is a need to ensure entry of serious players, smother process for allocation & opening of short codes, protection of consumers' interests and compliance of content regulations. This could be achieved if ASPs (Application Service Providers) are brought under licensing, However, at the same time to facilitate entry of innovative & small entrepreneurs, licensing process needs to be kept simple without any entry barriers. The Authority is conscious of the fact that bringing ASPs under licensing should not put burden on them and restrict the growth of small and

medium players. Therefore, licensing regime for ASPs need to be such that they could avail benefits of licensing and at the same time do not get burdened with the financial requirements of a typical license.

Q17. Whether there is a need for introducing certain new authorisations or sub-categories of authorisations under the Telecommunications Act, 2023? If yes, -

- (a) For which type of services, new authorisations or sub-categories of authorisations should be introduced?**
- (b) What should be the respective scopes of such authorisations?**
- (c) What should be the respective service areas for such authorisations?**
- (d) What terms and conditions (general, technical, operational, Security, etc.) should be made applicable for such authorisations?**

Kindly provide a detailed response with justifications.

Tata Communications' Response:

- As stated earlier, new Authorization under the category of DCIP needs to be introduced and terms & conditions for the same should be in accordance with latest recommendations of TRAI on the subject.
- Regarding other pending proposals of TRAI regarding IXP Authorization & Content Delivery Network (CDN) Registration following is the view.
 - Activities under IXP license are already covered by the ISP license and since ISP license does not have any significant entry barrier not much would be achieved by adding one more category in the list of authorizations.
 - Content Delivery Network service is in the application layer therefore it should be treated similar to other application layer services like OTT.

Q18. In view of the provisions of the Telecommunications Act, 2023 and technological/market developments, -

- (a) What changes (additions, deletions, and modifications) are required to be incorporated in the respective scopes of service for each service authorisation with respect to the corresponding authorizations under the extant Unified License?**
- (b) What changes (additions, deletions, and modifications) are required to be incorporated in the terms and conditions (General, Technical, Operational, Security, etc.) associated with each service authorisation with respect to the corresponding authorizations under the extant Unified License?**

Kindly provide a detailed response with justifications.

Tata Communications' Response:

- **Unified License as an overlay and individual service authorisations as underlay as suggested in the earlier answers.**
- **Separate service authorisation for B2B services, serving the enterprises for connectivity, network and platforms.**

- **Legal framework specifically for Enterprise Service Providers:** Licensed large ISPs like Tata Communications have been continuously upgrading their digital infrastructure portfolio and are intended to consistently deliver more holistic solutions, stitching multiple products together for our customers' ecosystems and help Enterprises power their hyperconnected ecosystem through a digital fabric and has a strong focus on innovation and has developed several cutting-edge solutions in areas such as 5G, AI, and the Internet of Things (IoT) and offering infrastructure-as-a-service. Therefore, there is a need for a legal framework specifically for Enterprise Service Providers which must ensure a level playing field among all operators/ stakeholders providing a similar nature of services.
- **CNPN authorisation:** There is a need to for introducing an alternative option for setting up of CNPN Services for Enterprises in the present CNPN regulatory framework needs to be explored wherein, CNPN licensee may act as a CNPN network service provider / CNPN Licensee / System integrator as well and should be allowed to either acquire spectrum in its present licensing capacity from other TSPs or direct administrative spectrum may be assigned by the Government to deploy CNPNs for Enterprises on their behalf in line with the global practices (South Korea model). This will be a significant step for taking-off of CNPN services in India and for the success of Industry 4.0 initiative.
- **M2M Registration framework:** Under M2M SP framework, permanent international roaming of foreign eUICC fitted devices in India for M2M services should be allowed. Further, 901.xx is a global IMSI series, allocated by ITU directly to M2M service providers (incl. non-telcos) for cross-border M2M use-cases and global IoT deployments and same needs to be recognized in the Authorisation based framework. No restriction to be imposed for offering critical M2M services only using licensed spectrum. Similarly, in case of M2M Service Provider registration and WPAN/WLAN Connectivity provider registration for M2M services, considering that the guidelines were combined, even application form was same and the registration is meant for M2M service, these are already clubbed, hence in this case the registration may be extended to WPAN/WLAN/LPWAN Connectivity providers. It is requested TRAI to review its recent recommendations on "Usage of e-SIM for M2M Communications" considering a need to promote orderly growth in the M2M eSIM segment of the telecom sector in India and stimulate the development of a homegrown M2M eSIM ecosystem in the country, thus enabling the growth of modern M2M communication.
- **Provision regarding appointment of Agent, Franchisee & Distributor:** There needs to be more clarity in respect of above by the Authorized Entity particularly in respect of marketing of services by such agents, franchises etc and billing and collection for the services by them on behalf of the Authorized Entity.
- **Provision regarding leased circuit connectivity with internet:** In this regard, the provision in UL- Access Service authorization reproduced below should be adopted in all other service authorizations for the sake of uniformity and to avoid any misinterpretation:

“The Licensee may provide leased circuits within its respective service area. Interconnection of leased circuits, whether point to point or in CUG network, with PSTN/PLMN/GMPCS/Internet Telephony Network is not permitted. “
- **Amendment in the ApGR definition in various service Authorizations:** Present ApGR definition with the suggested only addition being in point (i) below is reproduced below:

“Applicable Gross Revenue (ApGR):
ApGR shall be equal to Gross Revenue (GR) of the licensee as reduced by the items
listed below:
(i) Revenue from operations other than **licensed** telecom activities/ operations.

- (ii) Revenue from activities under a license/ permission issued by Ministry of Information and Broadcasting.
- (iii) Receipts from the USO Fund.
- (iv) List of other income* to be excluded from GR to arrive at ApGR
 - a. Income from Dividend
 - b. Income from Interest
 - c. Capital Gains on account of profit of Sale of fixed assets and securities
 - d. Gains from Foreign Exchange rates fluctuations
 - e. Income from property rent
 - f. Insurance claims
 - g. Bad Debts recovered
 - h. Excess Provisions written back

*Subject to conditions given in Annexure VIII.

The above addition as underline is in line with the clarification given by DoT and needs to be included to bring adequate clarity and to avoid multifarious interpretations.

- Removal of para 2.1 (b) regarding limited mobility in scope of service clause of UL-Access
- **FDI policy relaxation:** It is suggested that TRAI may consider amending the license provisions pertaining to ownership of the Licensee company to ensure that FDI policy restrictions don't apply in the case of an existing licensee subject to the licensee providing a declaration stating significant beneficial ownership in the licensee company is not from land border sharing countries which may be deemed sufficient for the purpose of compliance under the above provisions.
- **Infrastructure sharing** - Further both Active and Passive infrastructure shall be allowed to be shared between the licensees and by the licensee within its own authorization/ licenses to ensure economies of scale and removing duplicative infrastructure requirements. For ISPs, active infrastructure sharing is still not permitted and same should be allowed under the Authorization for ISPs without any restriction as permitted under UL - Access service authorization. This will ensure optimal use of existing infrastructure and bring more cost efficiency for ISPs.
- Recognize enterprise vs consumer specifically by creating a distinction in License and relevant authorisations between B2C and B2B services with respect to the applicability of the terms and conditions. Such distinction is required since these conditions have been introduced with the intention to protect a retail user with lesser or no bargaining power. However, the operations and requirements of B2B services are significantly different from B2C services. Unlike the inequality in the negotiating power that exists in B2C cases, the parties in B2B cases are at par with each other. This also aligns with the Government of India's ('GOI') vision of 'Ease of Doing Business' as well as international best practices. It would reduce the inapplicable and onerous compliance burdens on the B2B services providers.
- **Exemption of license fee for Fixed Line internet, voice and services** – ISPs and Access Service providers: Basis TRAI Recommendations dt 31-08-21, DoT in its reference back dt. 28-06-22 has stated that LF exemption would be applicable on the entire Fixed Line internet services and such exemption would be for a period of ten years and would be available to all Access providers and ISPs without any qualification. TRAI had submitted its response to DoT dt. 25-07-22 post consideration of the same, however,

final notification for exemption of license fee to ISPs /Access Providers is still pending. Request Government to implement the license fee exemption without any eligibility criteria for a period of 10 years on the fixed-line services.

VPN Services: Presently, there is a non-level playing field in the VPN market in India. There are many VPN service providers (non-licensed entities) providing internet-based VPN services without having any valid license. They use internet of ISP as underlay whereas Unified Licensee having NLD authorization are authorized to provide VPN services as complete solution including connectivity. The UL licensee is obliged to comply with all the regulation and directive issued by various govt agencies. It's likely many VPNs will close their servers in India rather than comply, leaving users to use virtual servers instead or servers in neighbouring countries. Thus, the new framework should ensure uniform regulatory requirements for the same service.

- Additionally, we would like the TRAI to consider reducing regulatory burden under the streamlined authorization process. This would in turn reduce compliance costs and administrative burdens for telecom service providers, freeing up resources that could be redirected towards offering new products and services to the consumers in the market.

Q19. In view of the provisions of the Telecommunications Act, 2023 and technological/market developments, -

- (a) What changes (additions, deletions, and modifications) are required to be incorporated in the respective scopes of service for each service authorisation with respect to the corresponding authorizations under the extant Unified License for VNO?**
- (b) What changes (additions, deletions, and modifications) are required to be incorporated in the terms and conditions (General, Technical, Operational, Security, etc.) associated with each service authorisation with respect to the corresponding authorizations under the extant Unified License for VNO?**

Kindly provide a detailed response with justifications.

Tata Communications' Response:

- Separate UL-VNO license is not required if there is a UL as overlay and various services' authorisations as underlay. As such, UL-VNO license has not found many takers and one of the reasons is that compliance obligations in the VNO license are almost identical to those in Unified License. UL-VNO license needs to be simplified from a compliance perspective especially for those VNO licensees who are running non-facility based operations and pure resale.
- UL-VNO license for various services is required to be made simpler with lesser obligations as compared to its counterpart in UL authorization. VNO authorization is basically permission to resell services of the parent NSO authorized entity. If the resell by the VNO is done without creating network of its own for example reselling of SIM cards, reselling of calling cards, reselling of broadband services etc. The authorization conditions for such VNOs should be much simpler and there should not be any technical, operating and security conditions applicable on such VNOs. There should be a clear exclusion from application of the aforesaid terms to those VNOs who are doing non-facility based or non-network-based reselling.

- In the UL-VNO-Access authorization resale of 5G services of its parent NSO and scope of UL-VNO (AS) license should be amended accordingly. Also, in the UL-VNO- Access authorization parenting to more than one NSOs and minimum two should be permitted as long as there is logical partition otherwise UL-VNO-Access license will not take off. Please also refer our detailed response provided in Q 20 & 21.
- In the UL-VNO-ISP authorization the condition 5.4 regarding the responsibility of the authorized entity to obtain IP addresses and domain names from NSO(s) needs to be reviewed as it placed unreasonable restrictions upon the UL-VNO ISP. As per the terms of the UL-VNO-ISP license, the licensee is required to obtain IP addresses from the parent UL-ISP NSO, thus, VNO -ISP can only sell its parented NSO's IP services on NSO AS (Autonomous System) Number. Such artificial restrictions need to be removed to promote proliferation of UL-VNO licensees in India and VNO-Access Service or VNO-ISP licensee should be allowed to use its own IP addresses also for provision of services.
- UL-VNO (AS) License scope of service should also enable Licensee to offer CNPN as service to its Enterprise customers. It is pertinent to mention that with the advent of 5G and its support for new use cases, the scope of Access Service for UL (Access Service Authorization) licensee has been amended for permitting them to provide CNPN as a Service to Enterprises either using its network resources (creating CNPN by network slicing) or by establishing an isolated CNPN network for Enterprises using its spectrum holding. However, similar enabling provision has not been introduced in the Scope of Access Service for UL-VNO licensees despite of the fact that the scope of Access Service of UL (Access Service Authorization) and UL-VNO (Access Service Authorization) has been identical and UL VNO licensee has always been permitted to resell services of its NSO but for this aberration. Thus, the Scope of UL-VNO-Access Service Authorization should be aligned with UL Access service authorization to enable UL-VNO (AS) licensee to resell 5G services of its wireless access service NSO(s) including reselling of isolated Captive Non-Public Network Service under UL-VNO License for Enterprise Customers created using IMT spectrum assigned to the NSO.
- Para 2.1(b) in the UL-VNO Access Service regarding limited mobility services may be deleted.
- There should not be any interception and monitoring related requirements/obligations for non-facility-based resale of services under UL-VNO license.
- **Amendment in the ApGR definition in various VNO service Authorizations:** Present ApGR definition with the suggested only addition being in point (i) below is reproduced below:
 "Applicable Gross Revenue (ApGR):
 ApGR shall be equal to Gross Revenue (GR) of the licensee as reduced by the items listed below:
 - (i) Revenue from operations other than **licensed** telecom activities/ operations.
 - (ii) Revenue from activities under a license/ permission issued by Ministry of Information and Broadcasting.
 - (iii) Receipts from the USO Fund.
 - (iv) List of other income* to be excluded from GR to arrive at ApGR
 - a. Income from Dividend
 - b. Income from Interest
 - c. Capital Gains on account of profit of Sale of fixed assets and securities
 - d. Gains from Foreign Exchange rates fluctuations
 - e. Income from property rent
 - f. Insurance claims
 - g. Bad Debts recovered

h. Excess Provisions written back

*Subject to conditions given in Annexure VIII.

The addition above as underline is in line with the clarification given by DoT and needs to be included to bring adequate clarity and to avoid multifarious interpretations.

- The UL-VNO ILD authorization should contain in its scope of service Para 2.2 & 2.3 regarding resale of all types of bearer services and international bandwidth lease services.

Additional Common response of Tata Communications to Q.18 & 19:

- The changes that are required to be incorporated in the terms and conditions associated with each service authorization with respect to corresponding authorizations under UL and UL-VNO would also relate to Section 28 to Section 30 in respect of protection of users where the measures for protection of users, obligation of users and dispute resolution mechanism for users has been indicated.
- The provisions regarding dispute resolution in case of dispute between an authorized entity and government will get governed by Sections 31 to Section 41 of the new Telecom Act, 2023 and the terms and conditions of the authorization under the new Act or the rules under the new Act which will govern the authorization which need to contain the details as per the given sections. Since the matter is concerning the adjudication of certain contraventions of the terms of the authorization the rules for the same will also have to be subject to Section 11 (1)(b) (i) of the TRAI Act under which TRAI has been entrusted with the function of ensuring compliance to the terms and conditions of the authorization.

Q20. Whether the Access Service VNOs should be permitted to parent with multiple NSOs holding Access Service authorisation for providing wireless access service? If yes, what conditions should be included in the authorisation framework to mitigate any possible adverse outcomes of such a provision? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- Tata Communications is an incumbent International Long-Distance and Internet Service Provider, presently holding Unified License with ILD, ISP-A, NLD and M2M Service Authorizations. Tata Communications Subsidiary "Tata Communications Collaborations Services Pvt. Ltd." also holds UL-Audioconferencing Pan India License. To further strengthen its offerings for Enterprises and Industry verticals, Tata Communications had obtained UL-VNO Pan-India license with various Service Authorizations including Access Service on 26.11.2021 and accordingly entered into a VNO-NSO agreement with Tata Teleservices Limited and Tata Teleservices (Maharashtra) Limited and commercially launched wireline access services for Enterprise customers in various service areas in a phased manner. However, the present UL-VNO licensing framework has restrictions that the UL-VNO-Access Service Licensee can get parented only to one NSO having Access Service Authorization in the Licensed Service Area (LSA), thereby prohibiting level playing field with UL(AS) licensees in B2B market.

As per Unified License clause "1.3 (ii) There would not be any restriction on the number of VNO licensees per service area. VNOs are allowed to have agreements with more than one

NSO for all services other than Access service and such services which need numbering and unique identity of the customer. For wire line access services through EPABX, the connectivity of different NSOs shall be governed by the Terms & Conditions of respective service authorization as mentioned in PART-II of the Schedule to the License Agreement or as per the directions/ instructions issued by the Licensor from time to time.”

- As per above license clause, UL-VNO-Access Service Licensee can get parented only to one NSO having Access Service Authorization in the Licensed Service Area (LSA). The exception provided is only in case of wireline access service providers providing access services through EPABX wherein in a LSA, for such services, at different EPABX, they can get parented to different Access Providers. The restriction prescribed seems to ensure that a VNO cannot resell Access services of two NSO (Access Service providers) networks in the same LSA avoiding situation of VNO becoming more diverse in its service offerings than its parent NSOs.
- We understand that the objective of the restriction prescribed in the UL-VNO License is to ensure that a VNO cannot resell Access services of two NSO (Access Service providers) networks in the same LSA avoiding situation of VNO becoming more diverse in its service offerings than its parent NSOs. It is pertinent to mention that Access services has two distinct parts being wireline access services and wireless access services and therefore UL-VNO (AS) licensee should be permitted to have wireline access services and wireless access services from different NSOs in the same LSA as it would not impinge upon the principle of putting such restriction.
- In our view, there should not be any restrictions for UL-VNO (AS) Licensee for parenting with single NSOs for seeking connectivity in a licensed service area for providing wireline access services and wireless access services, similar to other service authorisations in UL-VNO wherein no such restrictions are imposed and same has been left to the market forces. This will promote competition amongst the Access Provider NSOs for serving the VNOs and would also help the VNOs in getting a competitive price. As of now, for Wireless Services none of the Access Provider NSOs are offering any reasonable price to the Access Service VNOs resulting in very low growth for Wireless Access Service VNOs. Accordingly, UL-VNO (AS) should be allowed to get parented to any number of NSOs within the same LSA provided UL-VNO (AS) maintain separate records and steps to ensure appropriate reporting of revenue and disclosures to end customers. Further, it is understood that there has been a TDSAT Judgment delivered recently in this regard which has dealt with the issue and has requested DoT, TRAI and BSNL to look into these issues.
- The network connectivity / resource requirement is purely dependent upon the business model and network design of UL-VNO licensee. Therefore, there should not be any regulatory restriction imposed for UL-VNO licensee for seeking connectivity from more than one NSO in the same LSA for wireline access services and wireless access services.
- Such flexibility for UL-VNO licensee will also ensure less dependency for VNO on a single NSO in the LSA. Allowing UL-VNO licensee to take network service from multiple NSOs in a same LSA will promote healthy competition in the access service market and will encourage

innovation in services, billing, service delivery & service quality which will result in more choice and benefits to end customers.

- Regarding the associated terms & conditions for permitting such connectivity with multiple NSOs for offering both Wireline Access and Wireless Access services in same LSA, we wish to submit as follows:
 - The UL-VNO (AS) Licensee need to ensure internal arrangement for segregation of Services / infrastructure obtained from different NSOs in same LSA for the purpose of offering Wireline Access services and Wireless Access services.
 - The Telecom Network infrastructure obtained from Wireless Access Service Provider should be used only for wireless access services and it is technically feasible for ensuring that same will not be integrated with existing NSO (Wireline Access Service Provider) infrastructure in the same LSA.
 - Number resources being a distinct number series format for both wireline access services and wireless access services, such number resources should be used separately and correct configuration in the billing & other systems for customers of both the services should be ensured. Similarly, separate network codes of NSOs will be utilized.
 - Equipment capable for monitoring facilities of Wireless Access Service NSO will be used as a part of NSO' responsibility. Similar arrangement has been done with existing Wireline Access Service NSO for complying with monitoring / interception requirements.
 - Adequate steps should be taken for separate identification of Wireline Access NSO and Wireless Access NSO. Respective NSOs will be tagged with a distinct identifiers like 'Service ID' and billing individually to end customers parented with them.
 - In case of offering bundled Wireline and Wireless Access service to end customer by UL-VNO (AS) licensee, common COF may be taken from Customer clearly mentioning Wireline Access and Wireless Access services separately and single billing invoice with separate line item for Wireline Access and Wireless Access services should be raised.
 - In backend systems, revenue will be accounted under a separated unique 'Profit Center' for both type of access services for ensuring segregation of the revenue between Wireline Access and Wireless Access services along with separate mention of NSOs for the purpose of calculating AGR and License Fee (LF).
 - Similarly, separate PO based billing arrangement will be done with each NSO for using their infrastructure to ensure separate calculation of Pass-thru charges and audit trail being maintained in the billing system for LF assessment purposes.

- All records (CDRs / IPDRs), sys logs pertaining to both wireline and wireless access services should be stored separately for each NSO with the logical partitioning with a mechanism of retrieval in a time bound manner.
 - In case, UL-VNO (AS) licensee offers Internet Access Services using network infrastructure from either Wireline Access NSO or Wireless Access NSO, separate IP Addresses resources should be obtained from both the NSOs and ensure that their individual separate networks carrying distinct AS numbers for maintaining complete segregation of their network resources.
 - The IP addresses taken from ISP NSO for providing internet service under UL-VNO Internet Service Authorization are being managed by respective NSOs themselves and similar arrangement will be done with Wireless Access NSO.
 - It is proposed that the customer grievance redressal system should be common for both Wireline Access and Wireless Access services offered to customers.
 - UL-VNO (AS) licensee having connectivity from more than one NSOs, reporting requirements for both Wireline Access and Wireless Access services should be complied with and carry out necessary changes, if any to be done in the billing and other related systems for meeting the reporting compliance.
 - NSO should be mandated to charge for infrastructure and network services provided to the parented VNOs on non-discriminatory basis to bring fair play in the market.
 - For emergency services the UL VNO should be allowed to route the call through wireline NSO or wireless NSO.
- Benefits for allowing parenting with multiple NSOs:
 - More flexibility and choice to VNOs: VNO can combine wireline and wireless access service options and better meet the diversity needs of end customers. This is critical for Enterprises and businesses to ensure service availability and uptime for their businesses and be able to service their end customers.
 - Better diversity will lead to improved resilience – Having redundant wireline or wireless services from different NSOs will ensure service SLA guarantees by VNOs to end customers due to increased network resilience and reliability also. This will reduce the risk of service disruption for customers.
 - Wider network coverage –VNO will also get wider coverage through connectivity with multiple NSOs and be able to serve its end customers more efficiently in the LSA(s).
 - Increase investment in infrastructure – Such a flexibility will also encourage NSOs for further investments in infrastructure building across various LSAs as they will have a healthy competition to attract and retain VNO partnerships with different VNOs.

Q21. Considering that there are certain overlaps in the set of services under various authorisations, would it be appropriate to permit service-specific parenting of VNOs with Network Service Operators (NSOs) in place of the extant authorisation-specific parenting? Kindly provide a detailed response with justifications.

Tata Communications' Response:

As responded in Q 19, it is reiterated that the separate UL-VNO license is not required if there is a UL as overlay and various services' authorisations as underlay. Authorisation for VNO can be an individual authorisation.

Further,

it is recommended to make the VNO authorisation simplified wherein once Authorised entity obtained VNO Authorisation, it should be automatically allowed to offer any service available under the VNO authorisation by parenting to single or multiple NSOs for offering all or some of the services under intimation..

Q22. In view of the provisions of the Telecommunications Act, 2023 and technological/market developments, -

- (a) What changes (additions, deletions, and modifications) are required to be incorporated in the respective scopes of service for each service authorisation with respect to the corresponding extant standalone licenses/ authorizations/ registrations/ NOC etc.?
- (b) What changes (additions, deletions, and modifications) are required to be incorporated in the terms and conditions (General, Technical, Operational, Security, etc.) associated with each service authorisation with respect to the corresponding extant standalone licenses/ authorizations/ registrations/ NOC etc.?

Kindly provide a detailed response with justifications.

Tata Communications' Response:

- It is proposed that all the captive licenses namely CMRTS License, Captive VSAT CUG License, CNPN License and all other captive authorizations are not for provision of telecommunication service to the end customers and therefore there should not be any requirement of authorization Under Section 3(1) of the Telecommunication Act 2023. For the remaining services namely MNP Service, IFMC Service, IP-I Service, M2M Service, WPAN/WLAN connectivity service and PM WANI service, individual authorizations/registration may be kept depending on the nature of service. For M2M and WPAN/WLAN services being in the nature of application service the same should be licensed through a registration as is being done presently.
- Please also refer Annexure – I and Annexure-II containing suggestions for removal of outdated license clauses of Unified License Agreement and Suggestions/ Recommendations on Unified License clauses - Security conditions & ISP authorization respectively.

Q23. In view of the provisions of the Telecommunications Act, 2023 and market developments, whether there is a need to make some changes in the respective

scopes and terms and conditions associated with the following service authorisations, recently recommended by TRAI:

- (a) Digital Connectivity Infrastructure Provider (DCIP) Authorization (under Unified License)
- (b) IXP Authorization (under Unified License)
- (c) Content Delivery Network (CDN) Registration
- (d) Satellite Earth Station Gateway (SESG) License

If yes, kindly provide a detailed response with justifications in respect of each of the above authorisations.

Tata Communications' Response:

- **Digital Connectivity Infrastructure Provider (DCIP) Authorization (under Unified License):** There is no need to make any changes in the scope and terms and conditions in respect of DCIP authorization under UL recently recommended by TRAI. However, the IP-I registration will be abolished post institution of DCIP authorization and appropriate migration part to be provided to IP-I Licensees to migrate to DCIP authorization failing which IP-I authorization will expire after 5 years duration.
- Content Delivery Network service is in the application layer therefore it should be treated similar to other application layer services like OTT.
- No need for separate regulatory framework for operating IXPs in India and only valid Licensed Service Providers having UL-ISP / Standalone ISP Licenses establish and operate Internet Exchanges
- Satellite Earth Station Gateway (SESG) License: The requirement and need of satellite earth station gateway (SESG) on a stand-alone basis may kindly be estimated through the industry consultation before taking a call on the subject.

Q24. In view of the provisions of the Telecommunications Act, 2023 and market developments, any further inputs on the following issues under consultation, may be provided with detailed justifications:

- (a) Data Communication Services Between Aircraft and Ground Stations Provided by Organizations Other Than Airports Authority of India;
- (b) Review of Terms and Conditions of PMRTS and CMRTS Licenses; and
- (c) Connectivity to Access Service VNOs from more than one NSO.

Tata Communications' Response:

For response to Q24 (c), yes, the Access Service VNOs should be permitted to parent with more than one NSO. This will promote competition amongst the Access Provider NSOs for serving their parented VNOs efficiently. It is understood that there has been a TDSAT Judgment delivered recently in this regard which has dealt with the issue and has requested DoT, TRAI and BSNL to look into these issues.

Please also refer our detailed response provided in Q20 and Q21.

Q25. Whether there is a need for introducing any changes in the authorisation framework to improve the ease of doing business? If yes, kindly provide a detailed response with justifications.

Tata Communications' Response:

- Yes, there is an immense need to have a simplified authorisation framework with an overall aim to improve the ease of doing business in compared to existing licensing regime. The overhauling of the licensing framework will expand market with more competition in line with global trends so that customer will have access to more innovative services and products availability in the marketplace.
- We are of the view that with a simplified authorisation process in place, the Regulatory framework will act as an enabler for emerging technologies and innovative services thereby promoting ease of doing business in the telecom sector. Authorisation format should be simple and cover the minimum requirements. Services under new Authorisation framework should be simple and can be treated as add-ons with a single click of a web page as intimation.
- In present regime, despite of having an online process to grant license / additional service authorisation, applications scrutiny and processing time is much longer and there are no firm timelines for decision of grant of LOI. Thus, there is an immense need to bring simplicity and time bound nature in the present telecom regulatory framework. Therefore, the online application process for grant of authorization(s) under Authorisation framework should be seamless, systematic and time bound.
- Authorisation format should be simple. Grant of services under new Authorisation framework should be simple and can be added with a single click of a web page under intimation. To enable this, process for granting an authorisation should be completely impersonalized through an online portal akin to Income Tax portal in India. Such single window portal for grant of Authorisation should have various authorisations as a part of drop-down menu wherein the applicant/ Authorisation(s) holders under Authorisation framework should be able to add / remove the desired service authorisation(s) from the list of multiple authorisations on basis of profitability and business case.
- The document scrutiny of the application should not be authorisation specific; the document scrutiny process should be designed in such a manner that once the Unified Authorisation issued after the scrutiny, same should not be repeated again at the time of opting for additional authorisation(s) through the online portal.
- The documentation required for filing an application for any authorisation should be kept minimum and portal itself should be capable of verifying the authenticity of the applicant by doing online authentication from other government data verification sources. Further, the terms & conditions should be consolidated as one single document equally applicable to all the Authorisations and such terms should not be authorisation specific in any manner.
- While processing the application, there should be a provision of deemed approval unless denied with the reason in writing after a fixed period say 15 days from the date of application. The rejection reasons should be specific and pre-defined in-built in the portal - for example – Balance sheet, eligibility criteria, foreign ownership percentage etc. The mechanism for processing the application should be through a single window portal rather than multiple departments to be followed – up within DoT by an Applicant for grant of the authorisations applied online through the portal. Once, any new / additional Authorisation is granted /

surrendered under the Pan-India Unified Authorisation, only intimation should be sufficient for rolling out services under authorisation through the portal. The turnaround time for processing the application and conveying the final decision should be fixed and informed transparently on the portal itself to the Applicant.

- The end-to-end process of obtaining the authorisation – new/ additional/ renewal/ surrender/ stop/ start in between the validity, should be through single online portal only with maximum automation and minimum human intervention. This will ensure ease of doing business wherein an authorised entity will be able to self-manage its authorisations easily through an interactive and automated single window portal.
- The application processing fee should be either nil or minimal only to recover administrative expenses required for managing the portal.
- Various aspects such as minimum licence fee, minimum rollout obligation, monitoring and compliance, allocation of resources, etc. should be a matter of holistic assessment, rather than present system of performance under each authorization being measured individually. The cost of compliance including minimum license fee, document submissions and monitoring requirements should be minimized.
- All these aspects should be taken care in the portal itself and when an Authorised entity is able to meet rollout obligation under any authorisation as part of pan-India Unified Authorisation, same should be considered as meeting requirement of minimum rollout obligation for the all the Authorisations granted to the Authorised Entity under its Unified Authorisation. Similarly, the minimum authorisation fee should not be linked to any individual authorisation granted to the Authorised entity and instead it should be consolidated single minimum unified authorisation fee under pan India Unified Authorisation instead of following up a cumbersome process of remitting minimum license fee under each authorisation separately.
- All authorised entities should be eligible to acquire requisite spectrum (access as well as backhaul) under the Unified Authorisation to meet their business and customers' connectivity requirements in accordance with the framework prescribed under the Telecommunications Act 2023 and acquisition of the spectrum should not be linked to any specific authorisation as presently spectrum acquired in the auction is a technology agnostic spectrum.
- Further, it is also submitted that for the Authorised entity wishes to launch services using new technologies in future, which cannot be conceptualized at this point in time, should also be a simple matter of applying for new authorisations. The rules must accommodate the varied complexities of the network requirements of evolving technology landscape and promote several classes of network service providers.
- **Simplification of license fee regime:** It may be noted that issues related to license fee has been and is subject matter of most of the disputes between the authorised entities and the government. While the license fee reforms of October 2021 have tried to take care of the disputes which were decided in Supreme Court in respect of Access Services licenses in October, 2019 on a prospective basis, there is lot of more work which can be done. The license fee regime at present is also subject to interpretation up to a large extent and may lead to disputes in future. The assessment of authorisation fee for the services to be provided under various authorisations granted under the umbrella of the Unified Authorisation should strictly be in accordance with the scope of the service specified in each authorisation. The overall Authorisation fee assessment system should be transparent and simplified and ensures that the services which are in not in the purview of scope of services in the specific

authorisation and not requiring authorisation should not be considered for the purposes of levying authorisation fee in any manner. Accordingly, it is proposed that authorisation fees can be charged in the same manner as GST and 2 percent of the billed amount can be charged towards license fee. Alternatively, it is proposed that license fee which is presently charged at the rate of 8 per cent may be reduced by minimum 3 per cent. It may be noted that globally the license fee for authorization is nowhere charged at such a high rate in any of the comparable geographies to India. This will also enable substantial savings of litigation cost for the sector with these reforms.

- Further, as per UL clause number 39.22, the license has to carry out the inspections of the leased circuits for preventing the misuse. The same is as under:
 - 39.22 v) *Leased circuits should also be checked/ inspected at regular intervals for their bonafide use and to detect any misuse.*
- There is a need to review the licensing requirement to carry on periodic inspections and same may be kindly replaced with mandating ISPs to take technical measures which can result in automated, efficient and better way of reporting any unauthorised usage of P2P/ ILL link. For example, following technical measures are available with respect to ILL links:
 - a. Periodic evaluation of Multi Router Traffic Graph (MRTG) report/ usage report of the ILL customers which will equally serve the purpose of ensuring no misuse of internet lease lines by the enterprise customers.
 - b. The access to internet traffic is available at Internet Monitoring Station (IMS) which has been deployed by C-DOT at Internet traffic Nodes of ISPs and its access is available to CERT-In, and LSA field units. It can be found out whether the internet traffic is travelling over VOIP ports and if usage of any ILL link is found to be suspicious, further intelligence can be carried out in coordination with concerned ISP to resolve the same.
 - c. We also understand that there are various tools available which can remotely evaluate the ILL link and raise alarm in case of any unauthorised usage of a link. ISPs may deploy such tools in their system as a part of monitoring of ILL usage. For e.g. There are bandwidth monitoring tools (like Netflow Analyzer OR Solar winds) that can be used to monitor link traffic and detect utilization across applications. Further, there are packet capture tools like Wireshark that can be used by ISPs to capture any VOIP related packets and get insights of such traffic at a detailed as well as summary level.
- LSA based security audits and technical inspections are being conducted. During these audits/ inspections a lot of data is being exchanged with LSAs by the service providers. There is a need for simplification and systemic data collection through a portal which would significantly reduce the compliance burden and would also lead to better efficiency and saving in manual efforts.
- **No authorization for captive services:** Section 3(1) of the Telecommunication Act 2023 provides that any person intending to (a) provide telecommunication services; (b) establish, operate, maintain, or expand telecommunication network; or (c) possess radio equipment, shall obtain an authorisation from the Central Government, subject to such terms and conditions, including fees or charges, as may be prescribed. Thus, a license is required for provision of telecommunication services establishing, operating maintaining or expanding telecommunication network for provision of services to the end users or possessing radio equipment. In case of captive services, the provisions of Section 3(1) of the Telecommunication Act, 2023 will not apply as the telecom network is not being established to provide telecommunication services to any end users. The definition of telecommunication

network read with telecommunication service and user clearly establishes that for captive service no authorization would be required Under Section 3(1)(a) or 3(1)(b).

- **Rationalization of entry fees for various authorizations:** The entry fee in respect of various authorizations should be rationalized in accordance with TRAI Recommendations dated 19th September, 2023 on the subject.
- Following changes are suggested to the authorisation frameworks from an ease of doing business perspective for Commercial VSAT CUG Authorisation:
 - Remove NOCC frequency plan approvals. NOCC frequency plan approvals were relevant when ISRO was providing satellite capacity through the GSAT program. For other satellite providers, the frequency plan and link budgets are well managed by the satellite operators themselves. DOT should have oversight on the compliance to the Telecom Engineering Centre (TEC) Interface Requirements document. It is not optimal for DOT to approve frequency plan and link budgets for each network prior to deployment and during the lifecycle of a network.
 - Today, spectrum is assigned for satellite services on a carrier-by-carrier basis. Change this methodology to allow for a block of spectrum to be assigned. Carrier by carrier assignment is cumbersome and does not allow for dynamic carriers that adapt to change needs of customers.

Q26. In view of the provisions of the Telecommunications Act, 2023 and market/ technological developments, whether there is a need to make some changes in the extant terms and conditions, related to ownership of network and equipment, contained in the extant Unified License? If yes, please provide the details along with justifications.

Tata Communications' Response:

Following is the clause in respect of ownership of the equipment and network in the Unified License:

"2.4 Licensee shall make its own arrangements for all infrastructure involved in providing the service and shall be solely responsible for the installation, networking, operation and commissioning of necessary infrastructure, equipment and systems, treatment of subscriber complaints, issue of bills to its subscribers, collection of revenue, attending to claims and damages arising out of its operations etc. However, the Licensee may share the infrastructure as permitted under the scope of respective service authorization in PART-II of the Schedule to the License Agreement or as per the directions/instructions issued by the Licensor from time to time."

In our view, this clause gives sufficient flexibility in terms of ownership of the equipment and therefore does not require any change.

Q27. Whether any modifications are required to be made in the extant PM-WANI framework to encourage the proliferation of Wi-Fi hotspots in the country? If yes, kindly provide a detailed response with justifications.

Tata Communications' Response:

No comments.

Q28. What should be the broad framework including the specific terms and conditions that should be made applicable for captive authorisations, which are issued on a case-to-case basis? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- It is proposed that all the captive licenses namely CMRTS License, Captive VSAT CUG License, CNPN License and all other captive authorizations are not for provision of telecommunication service to the end customers and therefore there should not be any requirement of authorization Under Section 3(1) of the Telecommunication Act 2023. For the remaining services namely MNP Service, IFMC Service, IP-I Service, M2M Service, WPAN/WLAN connectivity service and PM WANI service, individual authorizations/registration may be kept depending on the nature of service. For M2M and WPAN/WLAN services being in the nature of application service the same should be licensed through a registration as is being done presently.
- In view of above and response provided under Q no. 25 above, the captive services should be covered under registration and not under authorization.

Q29. What amendments are required to be incorporated in the terms and conditions of authorisations for providing telecommunications services using satellite-based resources in light of the policy/ Act in the Space Sector? Kindly provide a detailed response with justifications.

Tata Communications' Response:

Commercial VSAT CUG service providers in India should be allowed to use gateways in India to serve neighbouring countries. This would align with the Indian Space Policy 2023 and allow India to position itself as a leader in satellite communication services in the region.

Q30. Whether the provisions of any other Policy/ Act in the related sectors need to be considered while framing terms and conditions for the new authorisation regime? If yes, kindly provide a detailed response with justification.

Tata Communications' Response:

No comments.

Q31. What conditions should be made applicable for the migration of the existing licensees to the new authorisation regime under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- At the outset, it is our submission that any changes from the terms and conditions in the existing license regime while devising new Authorization regime should be such that it should be better than existing terms in the old regime and new Regime should provide for an almost automatic path for migration to the new regime depending upon willingness of the licensee.

- There should be adequate operational certainty and predictability for the existing service providers as they migrate to the authorization regime to support the innovation and more investments in the sector.
- The migration of the existing Licensees to the new authorisation regime under the Telecommunications Act, 2023 should be either on expiry of the existing licenses under the old UL/ULVNO license regime or upon the willingness of the existing licensee to migrate to new authorization regime. There should not be any forced migration to the new authorization regime rather the terms and conditions of the new authorization regime should be made in such a manner that it incentivizes the migration to the new authorisation regime.

Q32. What procedure should be followed for the migration of the existing licensees to the new authorisation regime under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

Tata Communications' Response:

- The procedure for migration of the existing Licensees should be broadly on the same lines as contained in the guidelines for grant of Unified License where in the process for migration to UL was given.
- Following issues need to be kept in mind while migrating the existing Licensee to the new authorization regime:
 - On migration the new authorization shall be for a period of 20 years from the effective date of the new authorization irrespective of the validity period of the old license.
 - Credit of prorata entry fee paid while migrating to new authorization regime.

Q33. Do you agree that new guidelines for the transfer/ merger of authorisations under the Telecommunications Act, 2023 should be formulated after putting in place a framework for the authorisations to be granted under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.

Tata Communications' Response:

Yes the new guidelines for the transfer/ merger of authorisations under the Telecommunications Act, 2023 should be formulated after putting in place a framework for the authorisations to be granted under the Telecommunications Act, 2023. The Authorization should have a provision to provide a simplified exit policy for Authorized Entities for closure of business through merger and de-merger. It should be done in a time-bound manner and to ensure the companies do not lose out on the value of assets they have created due to delays in regulatory approvals. In case an Authorized Entity does not hold any access spectrum, winding down of such telecom business should follow only NCLT process without any additional conditions or approvals from DoT. Additionally, there should be an easy exit for the listed companies.

Q34. Whether there is a need to formulate guidelines for deciding on the types of violations of terms and conditions which would fall under each category as defined in the Second Schedule of the Telecommunications Act, 2023? If yes, kindly provide a detailed response with justifications.

Tata Communications' Response:

- To deal with the breach of any of the terms and conditions of authorization or assignment granted under the Telecommunications Act, 2023, it has introduced additional mechanism in dispute resolution between Licensor and Licensee at preliminary stage with the appointment of Adjudicating officer and a Designated Appeal Committee.
- The Adjudicating Officer can impose below categories of civil penalties, substantially lower than the existing flat penalty structure:
 - (i) Severe (Penalty up to Rs.5 Crore),
 - (ii) Major (Penalty up to Rs.1 Crore,
 - (iii) Moderate (Penalty up to Rs.10 Lakh),
 - (iv) Minor (Penalty up to Rs.1 Lakh), and
 - (v) Non-severe (Written warning).
- The sub-section (3) of section 32 of the Telecommunications Act, 2023, has specified various factors and any voluntary undertaking submitted to be considered by an Adjudicating Officer while imposing penalty. Such factors are - (a) nature, gravity and duration of the contravention, taking into account the scope of the contravention; (b) number of persons affected by such contravention, and the level of harm suffered by them; (c) intentional or negligent character of the contravention; (d) repetitive nature of the contravention; (e) action taken by the concerned person to mitigate the contravention, including by providing a voluntary undertaking (f) revenue loss caused to the Central Government; (g) any aggravating factors relevant to the circumstances of the case, and (h) any mitigating factors relevant to the circumstances of the case.
- Since this provision of the Act has significant financial impact on the licensed telecom service providers, hence it is suggested to have a separate detailed consultation to formulate the guidelines.

Q35. Are there any other inputs/ suggestions relevant to the subject? Kindly provide a detailed response with justifications.

Tata Communications' Response:

No comments.

Q36. In case it is decided to introduce a unified service authorisation for the provision of end-to-end telecommunication services with pan-India service area, what should be the:-

(i) Amount of application processing fees

Tata Communications' Response:

The application processing fee should be either nil or very minimal only to meet the administrative expenses incurred in the process of application submission and processing.

(ii) Amount of entry fees

Tata Communications' Response:

The Entry fee for Unified service Authorisation for the provision of end-to end telecommunications services with pan India service Authorisation should be

determined in line with the TRAI recommendations of September 2023 regarding Rationalization of Entry Fee provided for Access service Authorisation and Entry Fee for various other services under this pan-India authorization should be in accordance with the TRAI recommendations given for other services. It is requested TRAI to kindly reiterate its recommendations and incorporate the same in its recommendations of draft Rules for terms and conditions of Authorizations to be issued under the Telecommunications Act, 2023.

(iii) **Provisions of bank guarantees**

Tata Communications' Response:

PBG & FBG should be merged and only one single Bank Guarantee should be required to be submitted in line with TRAI recommendations of September 2023. The amount of single BG should be computed as per existing formula. **Alternatively**, the provision of BGs should be removed and replaced by an Undertaking (on Non-Judicial Stamp Paper) from the licensee company at the time of signing the License agreement.

(iv) **Definitions of GR, ApGR and AGR**

Tata Communications' Response:

Only revenue earned from the telecom services under respective authorization, should be considered for computation of GR. The definition of Gross Revenue (GR) should be simple, specific and easy to interpret. Further, in order to minimize disputes over interpretation of GR, the use of words like Miscellaneous and etc. must be avoided.

Gross Revenue (GR) The Gross Revenue shall include all revenues accruing to the Licensee by way of providing telecom services under the respective service authorizations such as Access Service/NLD/ILD/ISP/M2M/Audio-conferencing service or any other authorization granted to the licensee under the Telecommunication Act - 2023. The revenue shall also include supplementary/Value added services provided under the scope of the respective service authorization.

Applicable Gross Revenue (ApGR) Since the proposed definition of GR includes only revenue from services provided under the scope of respective service authorizations, therefore, the concept and provision of ApGR is not required.

Adjusted Gross Revenue Each telecom licensee pays charges to other telecom operators for usage of their network. The recipient TSP considers such charges received from other operators as part of its Gross Revenue (GR) for the purpose of computation of LF. So, deductions should be allowed to licensee who pays such charges to other TSPs. This will eliminate the possibility of a double levy of license fee on TSPs who pays such charges.

For the purpose of arriving at the “**Adjusted Gross Revenue (AGR)**”, following shall be excluded from the Gross Revenue (GR):

- a. (i) **For Access Service and Audiotex:-** PSTN/PLMN/GMPCS related call charges (Access Charges)
 - (ii) **For Internet Service and M2M:-** Roaming revenue passed on to other eligible/entitled telecom service provider,
 - (iii) **For ILD/NLD Service:-** Charges paid to other telecom service providers for carriage of traffic.
 - (iv) **For VNO Service:-** Charges paid to its parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges and Charges paid to NSOs towards Bulk/Wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs.
- b. Goods and Service Tax (GST) paid to the Government if Gross Revenue (GR) had included as component of GST.

(v) Rate of authorisation fee

Tata Communications' Response:

The Authorisation fee should be simplified and made less burdensome in compared to existing LF regime. The Authorisation fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund.

(vi) Minimum equity and networth of the Authorised entity

Tata Communications' Response:

The existing eligibility criteria specified for minimum equity and networth should be continued for the Authorised entity. This will ensure entry of only serious players in the telecom market.

Please support your response with proper justification.

Q37. In case it is decided to enhance the scope of Internet Service authorization as indicated in the Q7 above, what should be the:

(i) Amount of application processing fees

Tata Communications' Response:

The application processing fee should be either nil or very minimal only to meet the administrative expenses incurred in the process of application submission and processing.

(ii) Amount of entry fees

Tata Communications' Response:

TRAI recommendations of September 2023 regarding Rationalization of Entry Fee for Internet services need to be reiterated and incorporated in its recommendations of draft Rules for terms and conditions of Authorizations to be issued under the Telecommunications Act, 2023.

(iii) Provisions of bank guarantees

Tata Communications' Response:

PBG & FBG should be merged and only one single Bank Guarantee should be required to be submitted in line with TRAI recommendations of September 2023. The amount of single BG should be computed as per existing formula. Alternatively, the provision of BGs should be removed and replaced by an Undertaking (on Non-Judicial Stamp Paper) from the licensee company at the time of signing the License agreement.

(iv) Definitions of GR, ApGR and AGR

Tata Communications' Response:

In case it is decided to enhance the scope of Internet Service provider as indicated in Q.7, which means permitting internet service authorization holder to provide lease circuits/ Virtual Private Network (VPN) then same should be included in the definition of GR for the purpose of computation of License fee. The revenue earned from the services covered in the scope of the Internet Service authorization, should be included in the definition of GR.

We purposed the following definition:

Gross Revenue: - Gross revenue shall be inclusive of revenue accrued by way of providing internet services, revenue from internet access service, revenue from internet contents, revenue from internet telephony service, , roaming charges, supplementary services and value-added services.

Applicable Gross Revenue (ApGR): Same as provided in answer to Q-36.

Adjusted Gross Revenue (AGR): For the purpose of arriving at the "Adjusted Gross Revenue (AGR)", following shall be excluded from the Gross Revenue (GR):

- a. Roaming revenue passed on to other eligible/entitled telecom service provider, and;
- b. Charges paid to other eligible telecom service providers.
- c. Goods and Service Tax (GST) paid to the Government if Applicable Gross Revenue (ApGR) had included as component of GST.

(v) Rate of authorisation fee

Tata Communications' Response:

The Authorisation fee should be simplified and made less burdensome in compared to existing LF regime. The Authorisation fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund.

Further, TRAI recommendations regarding Reduction of license fee to Zero from the current 8% of the Applicable Gross Revenue for wireline internet services needs to be reiterated in the TRAI recommendations of new draft Rules. Wireline network is the backbone to the digital economy but also demands large scale capex investments including for laying of fiber across the length and breadth of the country Wireline is the enabler of various other services including Wireless connectivity. Hence, Wireline services require significant push from the Government by bringing down the LF to zero

percentage. TRAI in its recommendations on “Roadmap to Promote Broadband Connectivity and Enhanced Broadband Speed” dated August 31, 2021 had recommended to provide incentive by way of LF exemption for the purpose of proliferation of fixed line broadband and to ensure that the rural geographies get their due share of connectivity that is missing currently.

(vi) Minimum equity and networth of the Authorised entity

Tata Communications’ Response:

The existing eligibility criteria specified for minimum equity and networth should be continued for the Authorised entity. This will ensure entry of only serious players in the telecom market.

Please support your response with proper justification.

Q38. In case it is decided to merge the scopes of the extant NLD Service authorization and ILD Service authorization into a single authorization namely Long Distance Service authorization under the Telecommunications Act, 2023, what should be the: -

(i) Amount of application processing fees

Tata Communications’ Response:

The application processing fee should be either nil or very minimal only to meet the administrative expenses incurred in the process of application submission and processing.

(ii) Amount of entry fees

Tata Communications’ Response:

TRAI recommendations of September 2023 regarding Rationalization of Entry Fee for Long-Distance services need to be reiterated and incorporated in its recommendations of draft Rules for terms and conditions of Authorizations to be issued under the Telecommunications Act, 2023.

(iii) Provisions of bank guarantees

Tata Communications’ Response:

PBG & FBG should be merged and only one single Bank Guarantee should be required to be submitted in line with TRAI recommendations of September 2023. The amount of single BG should be computed as per existing formula. **Alternatively**, the provision of BGs should be removed and replaced by an Undertaking (on Non-Judicial Stamp Paper) from the licensee company at the time of signing the License agreement.

(iv) Definitions of GR, ApGR and AGR

Tata Communications’ Response:

In Case it is decided to merge the scopes of the extant NLD and ILD services into a single authorization namely Long-Distance Service authorization under the Telecommunication Act, 2023, Definition of GR should cover all the services covered in the scope of the merged service authorization.

We propose the following definition:

Gross Revenue (GR) The Gross Revenue shall include all revenues accruing to the Licensee by way of providing telecom services under the scope of services covered under long distance service authorization (ILD & NLD service) granted to the licensee under the Telecommunication Act -2023. The revenue shall also include supplementary/Value added services provided under the scope of long Distance service authorization.

Applicable Gross Revenue (ApGR) Since the proposed definition of GR includes only revenue from services provided under the scope of merged service authorization, therefore, the concept and provision of ApGR is not required.

Adjusted Gross Revenue Each telecom licensee pays charges to other telecom operators for usage of their network. The recipient TSP considers such charges received from their operators as part of its Gross Revenue (GR) for the purpose of computation of LF. So, deductions should be allowed to licensee who pays such charges to other TSPs. This will eliminate the possibility of a double levy of license fee on TSPs who pays such charges.

For the purpose of arriving at the “Adjusted Gross Revenue (AGR)”, following shall be excluded from the Gross Revenue (GR):

- a. Charges paid to other telecom service providers for carriage of traffic.
- b. Goods and Service Tax (GST) paid to the Government if Gross Revenue (GR) had included as component of GST.

In this regard, we also propose a template for Revenue and Authorisation Fee Statement for Long distance service as Annexure-I.

(v) Rate of authorisation fee

Tata Communications’ Response:

The Authorisation fee should be simplified and made less burdensome in compared to existing LF regime. The Authorisation fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund.

(vi) Minimum equity and networth of the Authorised entity

Tata Communications’ Response:

The existing eligibility criteria specified for minimum equity and networth should be continued for the Authorised entity. This will ensure entry of only serious players in the telecom market.

Please support your response with proper justification.

Q39. In case it is decided to merge the scopes of the extant GMPCS authorization and Commercial VSAT CUG Service authorization into a single authorization namely Satellite-

based Telecommunication Service authorization under the Telecommunications Act, 2023, what should be the: -

- (i) Amount of application processing fees
- (ii) Amount of entry fees
- (iii) Provisions of bank guarantees
- (iv) Definitions of GR, ApGR and AGR
- (v) Rate of authorisation fee
- (vi) Minimum equity and networth of the Authorised entity

Please support your response with proper justification.

Tata Communications' Response:

No Comments.

Q40. In case you are of the opinion that there is a need for clubbing the scopes of some other authorisations into a single authorisation under the Telecommunications Act, 2023 for bringing more efficiency in the operations, what should be the: -

- (i) Amount of application processing fees

Tata Communications' Response:

The application processing fee should be either nil or very minimal only to meet the administrative expenses incurred in the process of application submission and processing.

- (ii) Amount of entry fees

Tata Communications' Response:

TRAI recommendations of September 2023 regarding Rationalization of Entry Fee need to be reiterated and incorporated in its recommendations of draft Rules for terms and conditions of Authorizations to be issued under the Telecommunications Act, 2023.

- (iii) Provisions of bank guarantees

Tata Communications' Response:

Only one single Bank Guarantee should be required to be submitted in line with TRAI recommendations of September 2023. The amount of single BG should be computed as per existing formula. **Alternatively**, the provision of BGs should be removed and replaced by an Undertaking (on Non-Judicial Stamp Paper) from the licensee company at the time of signing the License agreement.

- (iv) Definitions of GR, ApGR and AGR

Tata Communications' Response:

In Case it is decided to club the scopes of some other authorisations into a single authorisation under the Telecommunication Act, 2023, Definition of GR should cover all the services covered in the scope of the merged service authorization.

(v) **Rate of authorisation fee**

Tata Communications' Response:

The Authorisation fee should be simplified and made less burdensome in compared to existing LF regime. The Authorisation fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund.

(vi) **Minimum equity and networth of the Authorised entity**

Tata Communications' Response:

The existing eligibility criteria specified for minimum equity and networth should be continued for the Authorised entity. This will ensure entry of only serious players in the telecom market.

Please support your response with proper justification.

Q41. In case you are of the opinion there is a need to introduce certain new authorisations or sub-categories of authorisations under the Telecommunications Act, 2023, what should be the: -

(i) **Amount of application processing fees**

Tata Communications' Response:

The application processing fee should be either nil or very minimal only to meet the administrative expenses incurred in the process of application submission and processing.

(ii) **Amount of entry fees**

Tata Communications' Response:

TRAI recommendations of September 2023 regarding Rationalization of Entry Fee need to be reiterated and incorporated in its recommendations of draft Rules for terms and conditions of Authorizations to be issued under the Telecommunications Act, 2023.

(iii) **Provisions of bank guarantees**

Tata Communications' Response:

Only one single Bank Guarantee should be required to be submitted in line with TRAI recommendations of September 2023. The amount of single BG should be computed as per existing formula. **Alternatively**, the provision of BGs should be removed and replaced by an Undertaking (on Non-Judicial Stamp Paper) from the licensee company at the time of signing the License agreement.

(iv) **Definitions of GR, ApGR and AGR**

Tata Communications' Response:

In Case it is decided to introduce certain new authorisations under the Telecommunication Act, 2023, Definition of GR should cover all the services covered in the scope of such service authorization.

(v) **Rate of authorisation fee**

Tata Communications' Response:

The Authorisation fee should be simplified and made less burdensome in compared to existing LF regime. The Authorisation fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund.

(vi) Minimum equity and networth of the Authorised entity

Tata Communications' Response:

The existing eligibility criteria specified for minimum equity and networth should be continued for the Authorised entity. This will ensure entry of only serious players in the telecom market.

Please support your response with proper justification.

Q42. What should be the amount of application processing fees for the various service authorisations including VNOs, other than the merged/clubbed/new service authorisations? Please provide your response for each of the service authorisation separately.

Tata Communications' Response:

It should be minimal and only to cover administrative charges for processing the application.

Q43. Whether the amount of entry fee and provisions for bank guarantee for various service authorisations including VNOs, other than the merged/clubbed/new service authorisations, should be:

- i. kept the same as existing for the various service authorisations under the UL/UL(VNO) license
- ii. kept the same as recommended by the Authority for the various service authorisations under the UL/UL(VNO) license, vide its Recommendations dated 19.09.2023
- iii. or some other provisions may be made for the purpose of Entry Fee and Bank Guarantees

Please support your response with proper justification separately for each authorisation.

Tata Communications' Response:

- TRAI recommendations of September 2023 regarding Rationalization of Entry Fee need to be reiterated and incorporated in its recommendations of draft Rules for terms and conditions of Authorizations to be issued under the Telecommunications Act, 2023.
- Only one single Bank Guarantee should be required to be submitted in line with TRAI recommendations of September 2023. The amount of single BG should be computed as per existing formula. **Alternatively**, the provision of BGs should be removed and replaced by an Undertaking (on Non-Judicial Stamp Paper) from the licensee company at the time of signing the License agreement.

Q44. Whether there is a need to review any of the other financial conditions for the various service authorisations including VNOs, other than the merged/clubbed/new service authorisations? Please provide your response for each service authorisation separately with detailed justification.

Tata Communications' Response:

- The Authorisation fee should be simplified and made less burdensome in compared to existing LF regime. The Authorisation fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund.
- We propose there should not be any requirement of Payment of minimum license fee under UL-VNO- Service Authorizations. The holder of UL-VNO service authorizations is not entitled for numbering, accruing spectrum and cannot interconnect with operators directly and only reselling the services of its NSO. Further, UL-VNO Licensee is dependent on NSO for provisions of Telecom services.

Q45. In case it is decided to merge the scopes of the extant IP-I Registration and the Digital Connectivity Infrastructure Provider (DCIP) authorization into a single authorization under the Telecommunications Act, 2023, what should be the: -

i. Amount of application processing fees

Tata Communications' Response:

The application processing fee should be either nil or very minimal only to meet the administrative expenses incurred in the process of application submission and processing.

ii. Amount of entry fees

Tata Communications' Response:

TRAI recommendations of September 2023 regarding Rationalization of Entry Fee need to be reiterated and incorporated in its recommendations of draft Rules for terms and conditions of Authorizations to be issued under the Telecommunications Act, 2023.

iii. Any other Fees/Charge

Tata Communications' Response:

We propose that under DCIP Authorisation, the Authorisation fee should be taken as percentage of Gross Revenue minus the charges paid to other licensed Service Providers and should be 3% of such revenue including 2% for Digital Bharat Nidhi fund. However, standalone IP-I registered Entities should continue to provide Infrastructure services on the same terms & conditions.

iv. Minimum equity and networth etc. of the Authorised entity.

Tata Communications' Response:

The existing eligibility criteria specified for minimum equity and networth should be continued for the Authorised entity. This will ensure entry of only serious players in the telecom market.

Please support your response with proper justification.

Q46. For MNP license and CMRTS authorisation, should the amount of entry fee and provisions of bank guarantees be:

- i. kept same as existing for the respective license/authorisation.**
- ii. kept the same as recommended by the Authority vide its Recommendations dated 19.09.2023**
- iii. or some other provisions may be made for the purpose of Entry Fee and Bank Guarantees**

Please support your response with proper justification separately for each authorisation.

Tata Communications' Response:

No Comments.

Q47. For other standalone licenses/ registrations/ authorisations/ permissions, should the existing framework for financial conditions be continued? Please provide detailed justification.

Tata Communications' Response:

Yes, for other standalone licenses/ registrations/ authorisations/ permissions, the existing framework for financial conditions should be continued.

Q48. If answer to question above is no, what should be the new/revised financial requirement viz. bank guarantee/ entry fee/ processing fee/ authorisation fees/ registration fees or any other charge/ fees? Please provide detailed justification in support of your response for each other license/ registration/ authorisation/ permission separately.

Tata Communications' Response:

No Comments.

Q49. In case of the merged M2M-WPAN/WLAN service authorisation, what should be the processing fees or any other applicable fees/ charges. Please support your response with proper justification.

Tata Communications' Response:

It should be minimal and only to cover administrative charges for processing the application considering the fact the M2M sector is presently at a nascent stage and need much reforms for ensuring orderly growth of the sector

Q50. In the interest of ease of doing business, is there a need to replace the Affidavit to be submitted with quarterly payment of license fee and spectrum usage charges with a Self-Certificate (with similar content)? Please justify your response.

Tata Communications' Response:

We propose to discontinue the requirement of affidavit along with payment of quarterly License fee. In the interest of ease of doing business, we strongly support to submit a self-certificate (with similar content) along with quarterly license fee payments.

Justification: The annual LF assessment is carried out based on Annual Audited AGR statements, duly certified by Statutory Auditors. So, submission of quarterly AGRs & Affidavits, along with quarterly payments, has no significance, in ascertaining the annual LF liabilities.

Q51. Is there a need to revise/ modify/simplify any of the existing formats of Statement of Revenue Share and License Fee for each license/authorisation (as detailed at Annexure 3.2)? In case the answer to the question is yes, please provide the list of items to be included or to be deleted from the formats along with detailed justification for the inclusion/deletion.

Tata Communications' Response:

- Yes, it is proposed that submission of quarterly 'Statement of Revenue and License Fee' signed by Licensee, should be discontinued. Quarterly payments of License-fee should be made based on the data filled in SARAS portal and based on self-certification, in respective quarters. At the end of the financial year, licensee submit Annual Audited AGRs duly certified by Statutory Auditors of the company. Based on the Annual Audited AGRs, the LF liabilities are ascertained and any shortfall of LF dues attracts interest at applicable rates.
- Further, for submission of Annual Audited AGRs, the formats of 'Statement of Revenue and License-fee' should be modified by deleting the ApGR provisions, please refer to our answer to Q-36-38. The purpose of ApGR is to declare non telecom and Other income (Interest, Dividend, Capital Gains, Forex Gain etc.), which is duly served by the Reconciliation statement, wherein the details of Gross Revenue (as per P&L), Non Telecom revenue, Other Income etc. is provided, which is duly audited. Accordingly, the said formats are required to be appropriately modified based on our proposed definition of GRs under various service authorizations. Please also refer to our answer to Q 36-38.

Q52. In case of a unified service authorisation for the provision of end-to-end telecommunication services with pan-India service area, what should be the format of Statement of Revenue Share and License Fee for each of these authorisations? Please support your response with justification.

Tata Communications' Response:

No Comments.

Q53. In case the scope of Internet Service authorization is enhanced, what should be the format of Statement of Revenue Share and License Fee for each of these authorisations? Please support your response with justification.

Tata Communications' Response:

Please refer to our answer given for Q-37.

Q54. In case of merged extant NLD Service authorization and ILD Service authorization into a single authorization namely Long Distance Service authorization, what should be the format of Statement of Revenue Share and License Fee for each of these authorisations? Please support your response with justification.

Tata Communications' Response:

Please refer to our answer for Q-38 for inclusion of revenues from ILD & NLD services and also refer answer to Annexure -III for proposed changes in the format of 'Statement of Revenue and License Fee'.

Q55. In case of merged extant GMPCS authorization and Commercial VSAT CUG Service authorization into a single authorization namely Satellite-based Telecommunication Service authorization, what should be the format of Statement of Revenue Share and License Fee for each of these authorisations? Please support your response with justification.

Tata Communications' Response:

No Comments.

Q56. In case you have proposed to club the scope of some of other authorizations OR introduce certain new authorisations/ sub-categories of authorisations, what should be the format of Statement of Revenue Share and License Fee for each of these authorisations? Please support your response with justification.

Tata Communications' Response:

No Comments.

Q57. Whether there is a need to review/ simplify the norms for the preparation of annual financial statements (that is, the statements of Revenue and License Fee) of the various service authorizations under UL, UL(VNO) and MNP licenses? Please give detailed response with proper justification for each authorization/license separately.

Tata Communications' Response:

No Comments.

Q58. In case of migration, how the entry fee already paid by the company be calculated/ prescribed for the relevant authorisation(s)? Please provide detailed justification in support of your response.

Tata Communications' Response:

In case of migration, there should not be any requirement of payment of entry fee for the existing holders of service authorizations.

Q59. Should the application processing fee be applicable in case of migration. In case the response is yes, what should be amount of application processing fee? Please give reason(s) in support of your answer.

Tata Communications' Response:

No, the application processing fee should not be applicable in case of migration.

Q60. What should be terms and conditions of security interest which Government may prescribe? Please provide detailed response.

Tata Communications' Response:

Please refer the suggestion provided for necessary changes in the existing security clauses attached as Annexure – II.

Q61. Whether there are any other issues/ suggestions relevant to the fees and charges for the authorisations to provide telecommunication services? The same may be submitted with proper explanation and justification.

Tata Communications' Response:

On the issue of fees and charges, it is requested that recent TRAI Recommendations on Rationalization of Entry Fee and Bank Guarantees dated 19.09.2023 may be duly considered while recommending Entry Fee for various Service authorizations both in letter as well as spirit. There is not much change in circumstances since TRAI issued its aforesaid recommendations on the issue of entry fee and this would go a long way in attracting more players in the field of telecom services.

Annexure – I: Removal of obsolete terms of the Unified license in the new Authorization

1.3 The Licensee shall also ensure that:

(ii) The Licensee Company shall not hold any other license for the services covered under the scope of Unified License. In case the Licensee obtains any other License by way of acquisition or merger, the License so obtained shall have to be migrated and merged to the aforesaid Unified License as per prescribed procedure.

(iii) In case the Licensee Company holds/obtains Access Spectrum, the Licensee Company shall ensure compliance to the crossholding /substantial equity requirement as per terms and conditions prescribed in Chapter VII of the License.

3. Duration of License:

3.1 This License shall be valid for a period of 20 years from the effective date of this License unless revoked earlier for reasons as specified elsewhere in the document. Validity period of any authorization of additional service(s) under this license shall be co-terminus with the validity period of this license.

4. Renewal of License:

4.1 The Licensor may renew, if deemed expedient, the period of License by 10 years at one time, upon request of the Licensee, if made during the 19th year of the license period, on the terms specified by the Licensor, subject to extant policy. The decision of the Licensor shall be final and binding in this regard.

4.2 On renewal, the Licensee may be required to pay a renewal fee as may be notified by the Licensor. 6

32. Obligations imposed on the Licensee:

32.1 The provisions of the Indian Telegraph Act 1885, the Indian Wireless Telegraphy Act 1933, and the Telecom Regulatory Authority of India Act, 1997, Information Technology Act, 2000 as amended from time to time or any other relevant Act shall govern this License.

32.2 The Licensee shall furnish all necessary means and facilities as required for the application of provisions of Section 5(2) of the Indian Telegraph Act, 1885, whenever occasion so demands. Nothing provided and contained anywhere in this License Agreement shall be deemed to affect adversely anything provided or laid under the provisions of Indian Telegraph Act, 1885 or any other law on the subject in force.

34. Inspection and Testing of Installations:

34.1 The Licensor / TRAI may carry out performance tests as required for checking Quality of Service, if it so desires. The LICENSEE shall supply all necessary literature, drawings etc. regarding the equipment installed and shall also supply all the tools, test instruments and other accessories to the testing party of the Licensor / TRAI for conducting the tests. The list of performance tests will be furnished by the Licensee, which may be amended by the Licensor.

34.2 The Acceptance Testing for each and every interface with any Telecom Service provider may be carried out by mutual arrangements between the LICENSEE and the other party involved. The Interconnection Test schedule shall be mutually agreed.

34.3 Whenever any element of the network/system of the Licensee, if permitted to be installed outside the Service Area as per the terms of the respective service authorization and has been so installed, the Licensee shall ensure availability of facilities for access to such elements from within the Service Area without any limitation or restriction and at anytime as required by the Licensor. However it shall not preclude the Licensor from accessing such elements at its physical location for the purposes of data/information in respect of any Service Area served by such element.

38.6 Licensee shall not enter into any exclusive contract for establishing public network to provide public telecom services or Right of Way (RoW) with any Public entity or any Person.

40. Application of Indian Telegraph Act, 1885:

40.1 The Licensee shall adopt all means and facilitate in every manner the application of the Indian Telegraph Act, 1885 and Indian Wireless Telegraphy Act, 1933 as modified or replaced from time to time. The Service shall be provided in accordance with the provisions of Indian Telegraph Rules as modified and amended from time to time.

40.2 As per the provision of Section 5 of Indian Telegraph Act, the Licensee will provide necessary facilities to the designated authorities of Central/State Government as conveyed by the Licensor from time to time for interception of the messages passing through its network.

Annexure-II: Suggestions/ Recommendations on Unified License clauses - Security conditions & ISP authorization

Clause number	Existing Clause	Revised clause	Rational/ Remarks
<u>Chapter VI UL, clause 39.7</u>	The LICENSEE shall induct only those network elements into its telecom network, which have been got tested as per relevant contemporary Indian or International Security Standards e.g. IT and IT related elements against ISO/IEC 15408 standards, for Information Security Management System against ISO 27000 series Standards, Telecom and Telecom related elements against 3GPP security standards, 3GPP2 security standards etc. The certification shall be got done only from authorized and certified agencies/ labs in India or as may be specified by the Licensor. The copies of test results and test certificates shall be kept by the LICENSEE for a period of 10 years from the date of procurement of equipment.	The LICENSEE shall induct only those network elements into its telecom network, which have been got tested as per relevant contemporary Indian or International Security Standards for Information Security Management System against ISO 27000 series Standards, Telecom and Telecom related elements against 3GPP security standards, 3GPP2 security standards etc. The certification shall be got done only from authorized and certified agencies/ labs in India or as may be specified by the Licensor. The copies of test results and test certificates shall be kept by the LICENSEE for a period of 10 years from the date of procurement of equipment	ISO/IEC 15408 provides a framework for evaluating the security functionality of IT products and the assurance measures applied during security evaluations and therefore is not relevant for telecom networks. Hence the same needs to be removed.
<u>Chapter VI UL, clause 39.10 (ii)</u>	39.10 (ii) The Licensee through suitable agreement clauses with vendor shall ensure that the Vendor/ Supplier allow the Licensee, Licensor and/ or its designated agencies to inspect the hardware, software, design, development, manufacturing facility and supply chain and subject all software to a security/ threat check any time during the supplies of equipment. The number of such visits will be limited to two in a Purchase Order (PO). The expenditure for such visits, limited upto 40 man-days per visit, for each purchase order of value above Rs 50 crore, shall be borne by the LICENSEE directly or through vendor.	39.10 (ii) The Licensee through suitable agreement clauses with vendor shall ensure that the Vendor/ Supplier allow the Licensee, Licensor and/ or its designated agencies to inspect the hardware, software, design, development, manufacturing facility and supply chain and subject all software to a security/ threat check any time during the supplies of equipment.	The vendors/ OEMs do not agree to allow for visits to check the supplies of the equipment. Further no such visit requests have been received till date.
<u>Chapter VI UL, clause 39.11(ii)</u>	39.11 (iii) Besides the penalty, liability and criminal proceedings under the relevant provisions of various Acts such as Indian Telegraph Act, Information Technology Act, Indian Penal Code (IPC), Criminal Procedure Code (CrPC) etc can be initiated. In such cases,	This clause should be deleted.	Criminal liability may be removed, as the same would amount to double penalty for the same offence/ non compliance, since penalty of Rs 50 Crore has been

	LICENSE of the LICENSEE can also be terminated, vendor or supplier who supplied the hardware/software, that caused the security breach, could be blacklisted for doing business in the country or both. The LICENSEE must include the clause of discretion of blacklisting of vendor or supplier in such cases in the agreement signed with vendors/suppliers.		suggested in clause 39.11(i) and 39.11(ii)
<u>UL, clause 2.6 (iv) and 39.11(ii)</u>	<p>2.6(iv) The licensees should comply with all the interception and monitoring related requirements as specified in the licence as amended from time to time for providing Internet Telephony.</p> <p>39.12 In the interests of security, suitable monitoring equipment as per requirement of the Licensor or designated Security Agencies for each type of system used shall be provided by the Licensee for monitoring as and when required by Licensor. The specific orders or directions from the Government, issued under such conditions, shall also be applicable.</p>	These clauses needs be updated.	it is suggested that the multimedia and videos should be excluded from the scope of Data monitoring. This will have substantial savings for the Authorised Entities.
<u>Chapter VI UL, clause 39.23(xi)</u>	The Remote Access (RA) to network would be provided only to approved locations abroad through approved location(s) in India. The approval for location(s) would be given by the Licensor (DoT) after satisfying itself about the appropriateness.	The Remote Access (RA) to network would be provided only to approved locations abroad through approved location(s) in India. The approval for location(s) would be given by the Licensor (DoT) after satisfying itself about the appropriateness. Remote Access through abroad locations may be permitted in such cases where network maintenance is carried out by OEMs through communication & collaboration tools/ video conferencing , however the screen control always remains with the telecom service provider through out the session.	Remote Access for OEMs for the purpose of network maintenance should be allowed should be permitted in case of screen sharing scenarios (through MS Teams etc.) wherein the screen control is with employee of telecom service provider. This will certainly enable prompt network maintenance, enable Ease of Doing Business which is the priority of the Central Government. Further it may be noted that the current license agreement allows for sharing of network diagram and technical details with OEMs as per clause 39.23 9ii). The Remote access would continue to remain prohibited for Lawful Interception System(LIS), Lawful Interception Monitoring(LIM), Call contents of the traffic and any such sensitive sector/data, notified by licensor from time to time.

<u>Chapter VI UL, clause 39.23 xix</u>	In order to maintain the privacy of voice and data, monitoring shall be in accordance with rules in this regard under Indian Telegraph Act, 1885.	xix) In order to maintain the privacy of voice and data, monitoring shall be in accordance with rules in this regard under The Telecommunications Act, 2023.	Needs to be revised in accordance with The Telecommunication Act, 2023
<u>Chapter VI UL, clause 40.1</u>	The Licensee shall adopt all means and facilitate in every manner the application of the Indian Telegraph Act, 1885 and Indian Wireless Telegraphy Act, 1933 as modified or replaced from time to time. The Service shall be provided in accordance with the provisions of Indian Telegraph Rules as modified and amended from time to time.	The Licensee shall adopt all means and facilitate in every manner the application of the Telecommunications Act, 2023 and Indian Wireless Telegraphy Act, 1933 as modified or replaced from time to time. The Service shall be provided in accordance with the provisions of Indian Telegraph Rules as modified and amended from time to time.	Needs to be revised in accordance with The Telecommunication Act, 2023
<u>Chapter VI UL, clause 40.2</u>	As per the provision of Section 5 of Indian Telegraph Act, the Licensee will provide necessary facilities to the designated authorities of Central/State Government as conveyed by the Licensor from time to time for interception of the messages passing through its network.	As per the provision of Section 20 of The Telecommunications Act, 2023, the Licensee will provide necessary facilities to the designated authorities of Central/State Government as conveyed by the Licensor from time to time for interception of the messages passing through its network.	Needs to be revised in accordance with the relevant clause in The Telecommunication Act, 2023.
	39.22 (v) Leased circuits should also be checked/ inspected at regular intervals for their bonafide use and to detect any misuse.		The bonafide usage of ILL connections can be ensured by deploying bandwidth monitoring tools such as Netflow Analyzer or Solarwinds that can be used to monitor link traffic and detect utilization across applications. Tools like Wireshark can be used to capture any VOIP related packets. Periodic evaluation of Multi Router Traffic Graph and access to internet traffic at Internet Monitoring Station (IMS) can also be useful in proactively predicting any misuse.
<u>Chapter IX, UL, clause 7.6</u>	7.6 Periodical inspections are to be carried out at the premises of ILL customers to check possible misuse and possible interconnection of Internet leased line with PSTN, PLMN, GMPCS network. First inspection at the premises of the customer must be done within 15 days of commissioning of Internet leased line.	“Periodical evaluation/ examination of MRTG graphs or any other similar technical measures pertaining to Internet Lease line customers are to be carried out by the licensee to check possible misuse and possible interconnection of Internet leased line with PSTN, PLMN, GMPCS network”	
<u>Chapter IX, UL, clause 7.1</u>	7.1 The Licensee shall maintain CDR/IPDR for Internet including Internet Telephony Service for a minimum period of two years. Parameters of IPDR shall	The Licensee shall maintain CDR/IPDR for Internet including Internet Telephony	In order to reduce the compliance burden and for ease of doing business/ operations – it is suggested

	be maintained as per the directions/instructions issued by the Licensor from time to time.	Service for a minimum period of one year. Parameters of IPDR shall be maintained as per the directions/instructions issued by the Licensor from time to time.	that storage period should be reverted to one year. It can be instructed that the CDRs/ IPDRs should be preserved for court cases/ FIRs where investigation is going on.
<u>Chapter IX, UL clause 7.2</u>	The Licensee shall maintain log-in/log-out details of all subscribers for services provided such as internet access, e-mail, Internet Telephony, IPTV etc. These logs shall be maintained for a minimum period of two years.	The Licensee shall maintain log-in/log-out details of all subscribers for services provided such as internet access, e-mail, Internet Telephony, IPTV etc. These logs shall be maintained for a minimum period of one year.	In order to reduce the compliance burden and for ease of doing business/ operations – it is suggested that storage period should be reduced to one year.
<u>Chapter IX, UL clause 8.5.</u>	8.5 Office space of 10 feet x 10 feet with adequate and uninterrupted power supply and air-conditioning which will be physically secured and accessible only to the monitoring agencies shall be provided by the Licensee at each Internet Gateway location at its cost.	To be deleted	The internet traffic is being remotely accessed by CDOT / CERT- IN through the LIM set up installed at various POPs , hence the office space is no longer required. Further DoT has entered into agreement with PGCIL /BSNL to build national private network to access these systems.

Annexure-III

Company Name
Registered Office Address

Appendix-II to Annexure A

Unified License - Long Distance License Service Authorisation.
Statement of Revenue and License fee for the year ended 31st March 2025

S NO	PARTICULARS	Revenue for the Quarter ended 30th June, 2024	Revenue for the Quarter ended 30th Sept, 2024	Revenue for the Quarter ended 31st Dec, 2024	Revenue for the Quarter ended 31st March, 2025	Amount in Rupees Cumulative for the Year
A	Gross Revenue from Service					
1	Revenue from Services					
(i)	Revenue from provisioning of Long Distance services (as per scope of the Long Distance service authorization), including Voice & Data.	-	-	-	-	-
(ii)	Revenue from supplementary/value added services	-	-	-	-	-
(iii)	Revenue from sharing/leasing of other infrastructure					
(iv)	Reversal of Previous years debits, If any (i.e. Bad-debt recovered)					
(v)	Service Tax *	-	-	-	-	-
B	Revenue from Long Distance Service of the licensee company Add 1(i) to (v)	-	-	-	-	-
C	Deduct					
1	Charges paid to other telecom service providers for carriage of traffic.	-	-	-	-	-
2	Service tax paid to the Government *	-	-	-	-	-
D	Total Deductible amount (Add C 1 to 2)	-	-	-	-	-
E	Adjusted Gross Revenue (B-D)	-	-	-	-	-

Revenue Share @ ____% of Adjusted Gross Revenue (i)	-	-	-	-	-	-
Revenue Share paid in Quarter (ii)						-
Adjusted excess paid (iii)	-	-				-
(Excess) or Shortfall (iv)=(i)-(ii+iii)	-	-				
License Fees payable/(refundable)	-	-	-	-	-	-

Note: Reconciliation of Gross Revenue is enclosed, having details of Non-Telecom revenue, Other Income etc.

For Company

Authorized Signatory