



TCL/RA/TRAI-CP-VSAT/2020/3

March 11, 2020

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Sub: TCL Response to TRAI Consultation Paper on 'Provision of Cellular backhaul connectivity via Satellite through VSAT under Commercial VSAT CUG Service Authorization' 29th January, 2020.

Dear Sir,

Kindly find attached herewith Tata Communications Ltd. response on the TRAI Consultation Paper dated January 29, 2020 on 'Provision of Cellular backhaul connectivity via Satellite through VSAT under Commercial VSAT CUG Service Authorization' .

It is requested that the same may kindly be taken on record.

With kind regards,
For Tata Communications Ltd.


(Praveen Sharma)
Authorized Signatory

Encl: a/a.

TATA COMMUNICATIONS

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TCL Response to TRAI Consultation Paper on ‘Provision of Cellular backhaul connectivity via Satellite through VSAT under Commercial VSAT CUG Service Authorization’

Q1. Keeping in view the connectivity requirements in remote and difficult areas, should the Commercial VSAT CUG service provider be permitted to provide backhaul connectivity for mobile services and Wi-Fi hotspots via Satellite? Please justify your answer.

TCL Response: Yes, Commercial VSAT CUG Service providers should be permitted to provide backhaul connectivity for mobile services and Wi-Fi hotspots via satellite, which would enable extending internet services along with voice services in the uncovered remote and difficult areas.

Q2. Whether the scope of Commercial VSAT CUG Service Authorization be enhanced under both Unified License and UL(VNO) license to enable the provision of the said backhaul connectivity? Please justify your answer.

TCL Response : Yes, the scope under UL and UL (VNO) should be enhanced so that we are able to get larger participation of players in this sector.

Q3. Should the licensee having authorization for both Commercial VSAT CUG and NLD services be allowed to share VSAT Hub & VSAT terminals for the purpose of providing authorized services? Please justify your answer.

TCL Response : Yes, the licensee having authorization for both Commercial VSAT CUG and NLD services be allowed to share VSAT Hub & VSAT terminals for the purpose of providing authorized services. This would help make optimal utilisation of the installed VSAT infrastructure and bring down service cost.

Q4. Whether the licensee should be permitted to share its own active and passive infrastructure for providing various services authorized to it under the other service authorization of UL and/ or other licenses? [In other words, whether clause 4.3 of Chapter -VIII (Access Service authorization) be made applicable for all other authorizations also]. Is there a need to impose any restrictions? Please enumerate and justify your answer.

TCL Response : Yes, sharing of all active and passive infrastructure established by a licensee under any of the service authorization under UL should be permitted for providing other service(s) authorised to licensee under other authorisations in order to enable optimal utilization of the installed infrastructure and bring down service cost.

Q5. Whether formula-based spectrum charging mechanism for VSAT services in NLD/Access license is adequate and appropriate? If not, whether spectrum charging for VSAT services in NLD/Access service license should be made on AGR basis instead of existing formula basis mechanism? Whether it will require accounting/ revenue separation for satellite based VSAT services under NLD/Access license? Please elaborate and provide proper justification.

TCL Response : No, the formula-based spectrum charging mechanism for VSAT services in NLD/Access license is not adequate and appropriate. The current royalty charges are very high and increase as the number of VSAT terminals increases while utilising the same amount of spectrum thus, acting as a disincentive for affordable service delivery cost and enhanced VSAT adoption. Hence, TCL recommends shifting the calculation of royalty charges of satellite-based system from the existing formula based to AGR based charges in line with that for the Access Service and the same principle should be applied for spectrum allocated under NLD /ISP Service Authorizations. Such a transition would need accounting separation in the revenue reports in order to calculate payable royalty charges and can be done with ease. Additionally current SUC charges of 3 to 4% of AGR are very high which would render VSAT based services costlier and ineffective alternative. TCL recommends lowering SUC charges to max of 1% of the AGR, in line with TRAI recommendations dated 7.03.2017 on 'Spectrum Usage Charges and Presumptive Adjusted Gross Revenue for Internet Service Providers and Commercial Very Small Aperture Terminal Service Providers'.

Q6. Please give your comments on any related matter not covered in this Consultation paper.

TCL Response : No comments
