



Dr. Ranjeet Mehta
CEO & Secretary General

6th August, 2024

Dear Shri Akhilesh Kumar Trivedi Ji,

**Subject: PHDCCI response to TRAI’s Consultation Paper on
“Framework for the Service Authorisations to be Granted Under the
Telecommunications Act, 2023” dated 11th July 2024**

A. Preamble:

1. We welcome the opportunity given to us for responding to this crucial Consultation Paper. Before proceeding with our question wise response, we would like to briefly introduce the three key pillars for the Authorisation Regime under the Indian Telecommunications Act.

Pillar 1: Regulatory Certainty and protecting the investments of service providers:

2. At the outset, the proposed authorisation regime should ensure regulatory certainty and protect the investments made by the service providers. Following are key requirements for achieving this objective:
 - a. **Continuation of contractual nature of licenses in the proposed authorisation regime:** Licenses issued to service providers in the existing regime (i.e. Unified License / Unified License –VNO) are of the nature of contract between the Government and licensee. The contractual nature of licenses ensures that no arbitrary changes are made to terms and conditions of licenses that can possibly put the investments made by service providers at risk as the service providers retain the right to approach Courts to seek relief against any such arbitrary changes. Thus, **in the proposed regime as well, the authorisation issued to service providers (i.e. authorisation agreement) should of a nature contract between the Government and service providers.**
 - b. **Ensure minimum disturbance to existing framework:** The introduction of upcoming authorisation regime should in the spirit of ensuring minimum disruption to the existing framework. To achieve this, it is necessary **that i) the existing guidelines for issuance of licenses should be replaced by Rules framed under the Act ii) the licenses issued to service providers should be replaced with the authorisation agreement.**

In other words, **the rules would contain broad terms and conditions, such as eligibility conditions, process for obtaining authorisation, allocation of resources**

etc., and the authorisation agreement would be of nature of contract and would contain detailed terms and conditions applicable to service provider.

- c. **Ensure continuation of role of TRAI:** The existing role of TRAI should be continued in the new authorisation framework also. It should be mandatory for the **Government to seek TRAI recommendation on all matters as being done currently as per provisions of TRAI Act. TRAI should continue to undertake transparent consultative process to ensure that views of stakeholders are taken into consideration before issuing its recommendations to the Government.**

Additionally, the DoT should also undertake a transparent consultation, on the lines of consultation undertaken by TRAI and should issue explanatory notes/memorandum for any proposed changes. This would infuse further transparency in the regime and would increase the confidence of investors in the authorisation framework.

- d. **Migration of existing licenses:** The existing licenses, issued to service providers, should be allowed to be continued till the expiry of their validity and the migration should be entirely voluntary for the service providers during such period. No onerous conditions should be imposed on the service providers for migrating their existing licenses to the new authorisation regime. However, **level playing field should be maintained between old licenses and new authorisations by extending all relaxations provided under new authorisation to the old licenses as well.**
- e. **Assignment of Spectrum only through auctions: Spectrum assignments must be done only through auctions as the assignment through auctions ensures transparency and promotes regulatory certainty.** Administrative assignment should be restricted to only exceptional scenarios, and must comply with the three conditions under Section 4(5) (a) of the Act. Government and TRAI must justify compliance of administrative assignment with the conditions under Sections 4(5) (a) through explanatory memorandum. Considering the technological developments, the Government must review entries within First Schedule of the Act, which have been included due to the current ad-hoc policy of administrative assignments.

Pillar 2: Promote Ease of Doing Business and streamline the scope of authorisations:

- 3. Under the existing licensing framework, the Industry has made a remarkable progress and has laid a strong foundation of Digital Revolution in the country by connecting even the relatively weaker sections of the society at most affordable tariffs. However, the migration to a new authorisation regime presents an excellent opportunity for streamlining some of the gaps within the existing framework. This can be achieved through the following reforms:
 - a. **Introduction of Pan India All Service Authorisation:** Introduction of a **Pan India All Service Authorisation has been long awaited.** The existing LSA wise Access Service Licenses creates artificial borders in form of licensed service areas for the service providers who have Pan India services. These artificial borders result into inefficient routing of traffic, sub-optimal utilisation of infrastructure and unnecessary

regulatory requirements. Thus, in the new regime, a Pan India All Service Authorisation should be introduced to enable the provisioning of any telecommunication service (e.g. Access, Carrier (NLD/ILD) etc.) under the Section 3 of the Act, by a service provider in any part of the country. This would encompass the following broad category of services - **Access Services** (Existing Access/ISP/M2M etc.), **Carrier Services** (Merged scope of NLD/ILD), **Other Services** (Platform Services, Audio Conferencing etc.)

- b. No overlap the scope of services provided under different authorisations:** The authorisation regime should strive to avoid the overlap between the scopes of different authorisations. **This can be achieved by allowing Access Services to be provided under the scope of only Access Service Authorisations/ All Service Authorisation.**

In accordance with the above:

- i) GMPCS services must be merged into Access Services as GMPCS in an access services
- ii) **The internet services should be permitted only under the scope of Access Service Authorisation as internet access is an access service.** Thus, there will be no need for a separate internet service authorisation
- iii) Further, **provisioning of access services, such as leased lines and calling cards, should be removed from the scope of Carrier Licenses (NLD/ILD) and should be permitted only under Access Service Authorisation /All Service Authorisation.**

The Authorisation framework **can be further simplified by merging NLD and ILD services under the Carrier Services Authorisation.**

- c. Promote Ease of Doing Business:** Ease of Doing Business can be promoted by taking several steps, such as by simplifying the FDI requirements pertaining to Land Border countries for obtaining new authorisations, further simplifying SACFA norms, etc.

Pillar 3: Reduce the financial burden on the Industry:

4. The financial burden on the Industry should be reduced to further unlock its potential. Following are key to achieving this objective:
 - a. **Reduce the Authorisation Fee (i.e. License Fee) to below 1% of AGR:** The license fee or authorisation fee should be reduced to below 1% of AGR to recover only administrative costs associated with the administration of the Authorisation.
 - b. **Abolish USOF/Digital Bharat Nidhi (DBN) Levy:** The DBN levy should be abolished since its principal objective of connecting the unconnected areas has mostly been met and corpus of over INR 80,000 Crores is still available in the Fund that can be further utilised to connect any remaining unconnected areas.

In case DBN levy is not abolished then it must be ensured that it is kept under suspension till the existing corpus is fully utilised i.e. its collection must resume only after the existing corpus is fully utilised. Additionally, the service providers who have contributed to achieving rural coverage must be incentivised by making the rate of DBN levy inversely proportional to the rural coverage achieved by a service provider.

Further, it must be ensured that DBN fund is utilised only for connecting the unconnected areas and disbursed only through a transparent tendering process. DBN funds must not be utilised in any case for upgrading the infrastructure, such as backhaul, of a service provider on nomination basis as this would distort the competition and will lead to utilisation of fund for the areas that are already covered by a service provider.

- c. **Cost sharing for meeting the National Requirements:** Service providers have made significant investments in establishing and maintaining the infrastructure necessary to meet National Requirements. These requirements include security measures for generating and storing CDRs/IPDRs and disseminating alerts during disasters, among others. While service providers have been diligently working to fulfil these obligations in the National Interest, it is essential for the Government to share the cost of meeting these requirements. Government support in this regard would substantially alleviate the financial burden on service providers.

- 5. With the above three pillars, we now proceed with our responses to some of the key issues raised in the Consultation:

B. Issue Wise Response:

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.

&

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.

&

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?

Response:

1. We believe that under the new Authorisation regime:
 - a. **the existing guidelines for issuance of licenses should be replaced by Rules framed under the Act**
 - b. **the licenses issued to service providers should be replaced with the authorisation agreement that would be of nature of contract between Government and service provider (authorised entity)**
2. In other words, the rules would contain broad terms and conditions, such as eligibility conditions, process for obtaining authorisation, allocation of resources etc., and the authorisation agreement would be of nature of contract between the Government and service provider (authorised entity) and would contain detailed terms and conditions applicable to service provider.
3. For the reasons explained in the preamble our response, the above would be helpful in minimising the disturbance to service providers providing their services under the existing framework, protect their investments, and would attract new investments into the capital intensive telecom sector.

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.

Response:

1. In the existing framework also, Unified License Agreement and Unified License Guidelines are updated as per evolving technological and market conditions. Such changes are affected only after seeking TRAI recommendations, which undertakes a transparent consultation giving opportunity to stakeholders for providing their views on any proposed changes. The

existing framework also allows the service providers to approach courts to protect their contractual rights in case of any arbitrary changes are made to terms and conditions.

2. In line with existing framework, any changes in the authorisation agreement or rules must be done only after seeking TRAI's Recommendations as per provisions of TRAI Act. TRAI must continue to provide its recommendations after detailed and transparent consultation process. Thereafter, the proposed changes in the authorisation agreement must be enacted only post a detailed consultation by DoT followed by a mutual agreement between the parties.

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.

&

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?**
 - (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?**
 - (d) Should assignment of terrestrial access and backhaul spectrum be continued at the telecom circle/ Metro area level for such an authorisation?**
 - (e) Any other suggestion to protect the interest of other authorised entities/ smaller players upon the introduction of such an authorisation.**
- Kindly provide a detailed response with justification.**

Response:

1. Yes, as mentioned in our preamble, we support the introduction of Introduction of a Pan India All Service Authorisation as it has been long awaited. The existing LSA wise Access Service Licenses creates artificial borders in form of licensed service areas for the service providers who have Pan India services. These artificial borders result into inefficient routing of traffic, sub-optimal utilisation of infrastructure and unnecessary regulatory requirements.
2. Thus, in the new regime, a Pan India All Service Authorisation should introduced to enable the provisioning of any telecommunication service (e.g. Access, Carrier (NLD/ILD) etc.)

under the Section 3 of the Act, by a service provider in any part of the country. This would encompass the following broad category of services - **Access Services** (Existing Access/ISP/M2M etc.), **Carrier Services** (Merged scope of NLD/ILD), **Other Services** (Platform Services, Audio Conferencing etc.).

3. Further, the authorisation regime should strive to avoid the overlap between the scopes of different authorisations. **This can be achieved by allowing Access Services to be provided under the scope of only Access Service Authorisations/ All Service Authorisation.**
4. In accordance with the above:
 - a. GMPCS services must be merged into Access Services as GMPCS in an access services
 - b. **Internet services should be permitted only under the scope of Access Service Authorisation as internet access is an access service.** Thus, there will be no need for a separate internet service authorisation
 - c. Further, **provisioning of access services, such as leased lines and calling cards, should be removed from the scope of Carrier Licenses (NLD/ILD) and should be permitted only under Access Service Authorisation /All Service Authorisation.**
5. The Authorisation framework **can be further simplified by merging NLD and ILD services under the Carrier Services Authorisation.**
6. In order to derive maximum efficiency by introduction of Pan India All Service Authorisation, there is no need for retaining any conditions or obligations to be fulfilled at the telecom circle/ Metro area level for this authorisation.

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.

Response:

Please refer to our response to Question 5 and 6, we recommend merging internet services into access service authorisation and hence, there would not be any separate internet service authorisation. Further, **leased circuits/VPN is an access service that must be provided only under the Access Service Authorisation** and hence, scope of Carrier Service Authorisation (i.e. NLD/ILD) must exclude provisioning of access services like leased circuits/VPN.

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.

&

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.

Response:

Please refer to our responses to earlier questions, we do not foresee any issues in merging NLD and ILD authorisation into a Carrier Service Authorisation. This would be in line with market developments as many of the service providers have taken both NLD and ILD licenses to provide end to end services and thus, merging these within a single authorisation would simplify the authorisation framework. However, scope of such authorisation must include only pure Carrier Service and must exclude Access Services, such as leased lines, calling cards etc., that must be provided only under Access Services.

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.

&

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.

Response:

We do not support merging VSAT-CUG authorisation with the extant GMPCS authorisation. Instead, GMPCS service authorisation must be merged with Access Services. The criteria of merging authorisation must rely on the nature of services and not on the media on which these are provided. Even though GMPCS and VSAT-CUG services are both provided on satellite media, these have distinct scope of services; GMPCS is an access service whereas VSAT-CUG is related to provisioning of CUG services other the satellite media. Considering the same, GMPCS authorisation must be merged with Access Services and not VSAT-CUG services.

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.

&

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.

Response:

We submit that DCIP authorisation must kept out of the scope of this consultation as TRAI Recommendations are still under consideration of DoT and is thus, not a part of reference sent by DoT for this consultation. Moreover, introduction of DCIPs will create regulatory imbalances and we do not support introduction of DCIP.

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.

&

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

&

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.

&

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.

Response:

1. Please refer to our responses to previous sections, we propose the following changes:

- a. **Introduce Pan India All Service Authorisation**, which would allow service provider to provide any service permitted under Section 3 of the Act anywhere within India.

- b. Merge the scope of NLD and ILD services into Carrier Service Authorisation.** Access Services like Leased Circuits/VPN, Calling Cards etc., must be provided only under Access Services not under Carrier Service Authorisation.
 - c. Internet Services, GMPCS and other Access Services (like existing UL-M2M) must be merged with Access Services** as these are access services.
 - d. Since, the definition of Telecommunication Services under the Act covers OTT communication services, these must be brought within the scope of Access Services.**
2. In line with above key changes, the terms and conditions of Authorisations may be drawn from the existing Unified License conditions.

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.

Response:

The terms and conditions of VNO authorisation can be drawn from those of main authorisation. This is same as the existing practice wherein terms and conditions of UL-VNO have been derived from UL.

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.

Response:

We do not support the idea of permitting Access Service VNOs to parent with multiple NSOs holding Access Service authorisation for providing wireless access service since the existing conditions are sufficient and there is no need for changing the same. The existing conditions

have been formulated after detailed deliberations on various requirements, such as ensuring security etc., and thus should not be changed.

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.

Response:

We recommend merging Internet Services with Access services and feel that there is no need for a separate internet services authorisation. Further, access services like leased circuits, calling cards must not be provided under Carrier Licenses. This will avoid overlap between the scope of various authorisations. Once this is implemented, the issue highlighted in this question will not arise.

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.

Response:

We do see any need for changes in the existing standalone licenses.

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.

Response:

1. As submitted in previous sections, we do not support the introduction of DCIPs.
2. CDN and IXPs play an important role in the Internet Digital Ecosystem and work in mutual agreements with service providers. Hence, these should be kept out of regulatory framework.
3. Satellite Earth Station Gateway (SESG) is a telecom facility, and the recommendations on the same must be adapted to be included as an Authorisation under the Section 3 of the Act.

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.

Response:

In addition to changes that we have proposed in previous sections, some of the measures that could be undertaken for promoting Ease of Doing Business are as below:

1. **Clarity on FDI Norms:** Service providers often face issues during license renewals or when obtaining new licenses due to unclear FDI norms relating to land border countries. These issues should be resolved, and authorizations/licenses should be granted after the submission of relevant undertakings by applicants.
2. **Cost of Network Upgrades:** Many agencies require specific data or services that necessitate network feature/capacity upgrades by Telecom Service Providers. The agency requesting such upgrades should bear the mutually agreed costs. DoT should not mandate the provisioning of these upgrades free of charge.

Further, the cost of implementing National Security requirements in service providers' network/infrastructure must also be borne by the Government.

3. **Streamline SACFA Norms:** SACFA norms should be streamlined, and approval timelines should be rationalized to prioritize ease of business.
4. **Satellite-Specific Requirements:**
 - a. **NGSO System Flexibility:** Given the dynamic nature of NGSO systems, producing a static link budget and fixed carrier plan is impractical. To improve operational flexibility, the link budget and carrier plan approval requirements for NGSO-based systems should be eliminated.
 - b. **Simplified Approvals for Satellite Services:** In-principle approvals for satellite services should be simplified by granting a single clearance for both Gateway and Remote Network per satellite system, regardless of the size or type of the remote user terminal.

5. Use of IPDR and CDR Logs: Logs such as IPDRs and CDRs should be used solely for intelligence and investigation purposes, not as court evidence. This would reduce the obligations on service providers without impacting the work of security agencies.

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.

Response:

As submitted in response to previous questions, we recommend merging GMPCS authorisation with Access Services.

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.

Response:

The existing licenses, issued to service providers, should be allowed to be continued till the expiry of their validity and the migration should be entirely voluntary for the service providers during such period. No onerous conditions should be imposed on the service providers for migrating their existing licenses to the new authorisation regime. However, **level playing field should be maintained between old licenses and new authorisations by extending all relaxations provided under new authorisation to the old licenses as well.**

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**
- (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.

Response:

We reiterate following submissions made in our preamble:

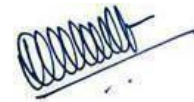
- 1. Reduce the Authorisation Fee (i.e. License Fee) to below 1% of AGR:** The license fee or authorisation fee should be reduced to below 1% of AGR to recover only administrative costs associated with the administration of the Authorisation.

2. **Abolish USOF/Digital Bharat Nidhi (DBN) Levy:** The DBN levy should be abolished since its principal objective of connecting the unconnected areas has mostly been met and corpus of over INR 80,000 Crores is still available in the Fund that can be further utilised to connect any remaining unconnected areas.

In case DBN levy is not abolished then it must be ensured that it is kept under suspension till the existing corpus is fully utilised i.e. its collection must resume only after the existing corpus is fully utilised. Additionally, the service providers who have contributed to achieving rural coverage must be incentivised by making the rate of DBN levy inversely proportional to the rural coverage achieved by a service provider.

With best regards,

Yours sincerely,



Dr. Ranjeet Mehta

Shri Akhilesh Kumar Trivedi
Advisor (Networks, Spectrum and Licensing),
Telecom Regulatory Authority of India (TRAI)
Government of India
New Delhi



"Voice of Industry & Trade"



PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450, 49545451 • E-mail : president@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

Connect with us:

