

Association of Unified Telecom Service Providers of India

AUSPI/12/2014/063

22nd September 2014

Shri Maruthi P Tangirala, Advisor, Telecom Regulatory Authority of India, Mahanagar Doorsanchar Bhawan, Jawahar Lal Nehru Marg, New Delhi – 110002.

Subject: AUSPI's Counter comments on ISPAI's comments on TRAI's CP No. 09/2014 on 'Definition of Revenue Base (AGR) for the Reckoning of License Fee and Spectrum Usage Charges'.

Dear Sir,

With reference to the captioned subject, we would like to make the following counter comments against the comments of ISPAI against Q3 i.e.

Q3. In the interest of simplicity, verifiability, and ease of administration, should the rate of LF be reviewed instead of changing the definitions of GR and AGR, especially with regard to the component of USO levy?

<u>ISPAI's comments</u> Ans.: No, we are of the view that clarity in the definition of GR and AGR would be far more helpful, instead of review of the rate of LF. In fact we believe we have presented a very strong case for need to review the definitions of GR and AGR as per Section II of our response which may kindly be referred.

AUSPI's Counter Comments

AUSPI would like to reiterate that there is a need to re-look at the percentage of license fee and USO levy and it needs to be drastically reduced. Reduction in license fee burden is a long pending demand of the industry and is essential for facilitating affordability of the common man and relief to access service providers. There is no requirement of USO to act as a catalyst and to have contribution towards the USOF funds @ 5%. It is therefore suggested that USOF contribution may be reduced from the present 5 % to 0.5 %, or be based on the average utilization trend over the years. It should be phased out by 2nd year based on the utilization of existing funds for completing the desired level of rural coverage.

Thanking you,

Yours sincerely,

Ashok Sud Secretary General

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CC: Dr. Rahul Khullar, Chairman, TRAI

: Shri R.K. Arnold, Member, TRAI

: Dr. Vijayalakshmy K Gupta, Member, TRAI

: Shri Sudhir Gupta, Secretary, TRAI

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