



Telecom Regulatory Authority of India



**Recommendations
on
Licensing framework for
Audio Conferencing/Audiotex/ Voice Mail
Services**

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Chapter-I

Introduction

- 1.1 Telecom Regulatory Authority of India (TRAI) received a reference from the Department of Telecommunications (DoT) vide letter No. 846-53/2015-CS dated 19th January 2016 (**Annexure-I**) for review of terms and conditions for issue of licences for Voice Mail/Audiotex/Unified Messaging Services(UMS). In its reference, DoT stated that after considering the recommendations of TRAI for Unified Licences, the Government decided to grant Unified Licences for various services. However, Voice Mail/Audiotex/Unified Messaging Services (UMS) licences continue to be issued as per the guidelines existing prior to issue of UL guidelines. DoT further stated that in view of changes in technology and the resultant new user applications and service delivery scenarios; there is a need to review the technical specifications, financial terms and conditions, scope and guidelines for services and the licence conditions. Accordingly, DoT has sought the Authority's recommendations on the following issues related to Voice Mail/Audiotex/Unified Messaging Services licence :
- (i) Terms and conditions of issue of fresh licences and for migration of existing licences, if required, including issues such as Entry Fee, Percentage of Revenue to be shared with the licensor (including definition of revenue for the purpose), USO fund, technical specifications, financial terms and conditions, period of licence etc.
 - (ii) Any other issue considered relevant.
- 1.2 The licences for Voice Mail/Audiotex Services were initially issued in the year 1996 by the DoT for different cities on first-come first-served basis. The period of these licences was five years extendable by one year at a time beyond the initial licence period. In the year 2000, the DoT sent a

reference to TRAI on various licensing issues related to Voice Mail/Audiotex Services. In response, TRAI sent its recommendations on 29th December 2000. Pursuant to the announcement of New Telecom Policy, 1999 (NTP-99) and on the basis of TRAI's recommendations the guidelines for Voice Mail/Audiotex/Unified Messaging Services were issued by the DoT on 16th July 2001. The application format and licence agreement were also approved by the DoT in the year 2001.

1.3 As per the existing licence agreement document (Part IV: TECHNICAL CONDITIONS) for Voice Mail/Audiotex/Unified Messaging Services, the technology for Voice Mail/Audiotex/Unified Messaging Services shall be based on the standards issued by the Telecommunication Engineering Centre(TEC). The following TEC specifications are referred to in the licence agreement :

- i. TEC Specification No. V/VMS-01/02.September, 1994
- ii. TEC Specification No. V/ATS.01/01.September, 1994
- iii. TEC Specification No. GR/UMS-01/01.AUG 2000

1.4 The TEC specification V/VMS-01/02.September, 1994 defines Voice Mail Service as one which *“enables the subscriber to send a message to one or more recipients and to receive messages via a telecommunication network using a combination of store and forward, and store and retrieve techniques. The service will be especially useful for the subscribers who are constantly on the move or who do not have a telephone of their own. A voice mail service (VMS) subscriber has a voice mail number and a mail box. Any person can leave his message in the mail box of a VMS subscriber by dialing the mailbox number from where it can be retrieved at the convenience of the VMS subscriber.”*

1.5 The TEC specification V/ATS.01/01.September, 1994 defines Audiotex Service as *“either a passive or an interactive service which provides through appropriate access by standardised procedure for users of*

Audiotex service to communicate with databases via telecom network. A subscriber can retrieve the information at any time by interacting with the Audio Service Equipment by using the existing telephone line. “

- 1.6 The TEC specification GR/UMS-01/01.AUG 2000 defines the objective of Unified Messaging Service as *“to allow subscribers to send, retrieve and manage messages in a uniform way, regardless of whether the message is a voicemail, a fax mail or an e-mail. In addition it shall be possible to manage the messages from various terminal types including phones, web browsers, standard e-mail clients and WAP terminals.”*
- 1.7 After considering the recommendations of TRAI for Unified Licences, the Government decided to grant Unified Licence (UL) for various services in the year 2013. The guidelines for grant of Unified Licence were issued by DoT on 19th August 2013. As per these guidelines, the existing licensees were given the option to migrate to the Unified Licensing Regime. However, since Voice Mail/Audiotex/Unified Messaging Services licence authorisation was not included in the Unified Licence, these licences continued to be issued as per the guidelines existing prior to issue of UL guidelines. Presently, as per the information available on the DoT website (as on 30.06.2016) there are 63 operative licences in 12 cities held by 31 companies.
- 1.8 With a view to bring out all the aspects of the relevant issues and to provide a suitable platform for discussion, TRAI issued a consultation paper on 14th June 2016, to review the existing terms and conditions of the Voice Mail/Audiotex/Unified Messaging Services licence and to recommend to the DoT the terms and conditions of issue of fresh licences and for migration of existing licences, if required, including issues such as Entry Fee, Percentage of Revenue to be shared with the licensor (including definition of revenue for the purpose), USO fund,

technical specifications, financial terms and conditions, period of licence etc.

- 1.9 Written comments on the consultation Paper were invited from the stakeholders by 11th July 2016 and counter-comments by 25th July 2016. On the request of some of the stakeholders, the dates were extended by two weeks i.e. 25th July 2016 for comments and 8th August 2016 for counter-comments. This consultation paper elicited many responses. Comments were received from 32 stakeholders and counter comments were received from 14 stakeholders. An Open house discussion was conducted on 30th September 2016 at New Delhi. Based on the written submissions of the stakeholders and the discussions in the open house the issues have been examined in depth and recommendations have been framed.
- 1.10 This chapter provides background to the subject. A detailed analysis of the issues raised in the consultation paper along with the responses given by the stakeholders is contained in the second chapter. Some peripheral issues raised by the stakeholders are also discussed in the same chapter. The responses were widely divergent and the Authority has taken a holistic view of the entire sector with a hope that it will set a tone for the growth of the sector and also minimize arbitrage opportunities, disputes and contentions. The third chapter gives a summary of the recommendations.

Chapter-II

Analysis of Issues and Recommendations

A. Background of the existing licensing framework for Voice Mail/Audiotex/UMS services

2.1 In the year 1996, the DoT initially granted the licences for Voice Mail/Audiotex Services for cities on first-come first-served basis. The period of these licences was five years. These licences were issued for a particular city without any limit on the number of operators as well as the number of licences that can be issued to any operator. These licences were extendable by one year at a time beyond the initial licence period, at the discretion of the Licensor. The licensees were required to pay licence fees ranging from Rs. 5 lakhs to 15 lakhs for different cities.

2.2 TRAI received a reference from DoT vide letter No. 311-79/99-VAS dated 7.8.2000, on the following licensing issues relating to Voice Mail/Audiotex Services:

- (i) the basis for determining the Entry Fee
- (ii) the percentage of revenue to be shared with the licensor
- (iii) the timing and basis of selection of additional operators
- (iv) the terms and conditions of fresh licences
- (v) any other issues considered relevant by TRAI.

2.3 The Authority took note of the existing conditions for the grant of Voice Mail/Audiotex Services licence and gave its recommendations on 29th December 2000. In its recommendations the Authority observed that:

“The Voicemail/ Audiotex service provider was essentially a Content Provider. He depends upon the public carrier such as PSTN, PLMN etc. for subscribers to reach his server. The Voice Mail service enables the

subscribers to record their messages in a computer memory area called a 'Mail Box'. His recorded message can be retrieved by the recipient by dialing a telephone number. Audiotex is a generic term for interactive voice response equipment and services. Audiotex to a telephone instrument is what data processing is to a data terminal."

In the said recommendations, the Authority further observed that:

"It is seen from the descriptions that both the services are essentially Content Services and not a Carriage Service. Voice Mail and 'On line data base interactive services' on the Internet platform are both identical Content Services being provided through a website which is a computer connected to the network. Govt. has already issued liberal guidelines for the Internet. As per the internet policy, pure Content Services are not to be licensed at all. The Authority is of the view that for all kinds of content services i.e., whether they are provided on the Internet or other Public Network platforms such as PSTN/PLMN etc., identical policy should be followed."

- 2.4 The Authority recommended no entry fee and no revenue sharing with the licensor for Voice Mail/Audiotex services. The recommendations of the Authority dated 29th December 2000 on entry fee and revenue share were as follows:

"1. Basis for determining entry fee:

The Authority recommends that no entry fees should be charged. However, performance bank guarantee of Rs. 3 lakhs on the lines of Category 'C' ISP licences should be obtained.

2. Percentage of revenue to be shared with the Licensor:

No Revenue sharing for Content Services is being recommended as the revenue share should be charged only from telecommunication

carriage service providers or network operators and not from content application service providers such as Voice Mail/ Audiotex.”

- 2.5 The TEC specification V/ATS.01/01.September,1994 defines the parameter of the Audiotex Service, scope of service, its key element, service description and quality of service to be provided by a licensee. This TEC specification mentions optional additional facilities in the service description which includes: “*conferencing (enabling two or more callers to speak to each other, or to listen to others speaking)*”. Over a period of time, conferencing became the main service that is being provided by the licensees. It was not envisaged by the Authority in the year 2000 while formulating the recommendations that these licensees may cease to provide Voice Mail or Interactive Voice Response Service and will provide only the optional additional service i.e. ‘conferencing’.
- 2.6 Pursuant to the announcement of New Telecom Policy, 1999(NTP-99) and on the basis of TRAI’s recommendations dated 29th December 2000, the guidelines in respect of Voice Mail/Audiotex/Unified Messaging Services were issued vide DoT letter No. 846-53/2000-VAS dated 16th July 2001. These guidelines were only for the purpose of general information without any legally binding commitment (as mentioned in the guidelines). The salient points covered in the guidelines are as follows:
1. The service area for the licence shall be Short Distance Charging Area (SDCA) on the basis of local dialing. From outside the SDCA, the service will be allowed to be accessed on STD call basis. The service provider would install his equipment within the SDCA for which licence is obtained.
 2. For Unified Messaging Service, transport of Voice Mail Messages to other locations and subsequent retrieval by the subscriber must be on a non-real time basis. To ensure this, licensee shall ensure that there is no dialing out for delivery of the message to the recipient.

3. For providing UMS under the licence, in addition to the licence for Voice Mail/Audiotex/UMS, the licensee must also have an ISP licence. The ISP licence as well as Voice Mail/Audiotex/UMS licence should be for the areas proposed to be covered by UMS service.
4. There will be no Entry Fee as well as licence fee. Performance Bank Guarantee of Rs. three lakhs for each licence shall be required. However, the licensee shall be required to pay levy towards Universal Service Obligations (USO) from the date of licence as per the terms and conditions decided by the Government on the recommendations of TRAI.
5. The period of licence shall be 15 years, with the provision for extending the same for another 5 years. The existing licensees shall also be allowed the same licensing period.
6. The existing Voice Mail/Audiotex Service Licensees are allowed to migrate to the new licensing regime w. e. f. 1.4.2001.
7. New Telecom Policy-1999 (NTP-99) has defined Cellular Mobile Telephone Service Providers, Fixed Service Providers, Cable Service Providers as Access Providers. Voice Mail/Audiotex/Unified Messaging Service can be provided as a Value Added Service by these service providers over their network. Therefore, such access Services Providers may provide Voice Mail/Audiotex/Unified Messaging Service to the subscribers falling within their service area on non-discriminatory basis; an intimation before providing any such Value Added Service may be sent to the Licensing Authority. No separate licence fee shall be charged for Voice Mail/Audiotex/Unified Messaging Service to be provided by the Access Service Operators. However, the revenue earned by these operators through this Service, if any, shall be counted towards the

revenue for the purpose of paying licence fee under the Licence granted to them.

2.7 Subsequently, amendment to the Voice Mail/Audiotex/Unified Messaging Services Licence was issued vide letter No. 846-38/96-VAS(Vol.II/80 dated 26.08.2004. The following clauses were amended/added.

CLAUSE NUMBER	EXISTING CLAUSE	AMENDED CLAUSE
22.1	<p>The resources required for the operation of the services and for extending them over the network of the BSNL/MTNL/Other Licensed Telecom Service Providers will be mutually agreed upon between the parties. The resources may include but are not limited to – physical junctions, PCM derive channels, private wires, leased lines, data circuits and other communications elements etc. The LICENSEE may apply for and obtain from the BSNL/MTNL/Other Licensed Telecom Service Providers the desired resources.</p> <p>The operation and tariff for the traffic passed through these resources as well as provision of these resources shall be governed by the prevailing rules and regulations of LICENSOR/TRAI.</p>	<p>The resources required for the operation of the services and for extending them over the network of the BSNL/MTNL/Other Licensed Telecom Service Providers will be mutually agreed upon between the parties. The resources may include but are not limited to – physical junctions, PCM derive channels, private wires, leased lines, data circuits and other communications elements etc. The LICENSEE may apply for and obtain from the BSNL/MTNL/Other Licensed Telecom Service Providers the desired resources. The operation and tariff for the traffic passed through these resources as well as provision of these resources shall be governed by the prevailing rules and regulations of LICENSOR/TRAI. In case Voice Mail/Audiotex service licensee takes resources for the operation of the services from more than one telecom service provider, the dial out facility will not be permitted. In case the resources are taken by the Voice Mail/Audiotex service licensee from only one service provider the dial out facility will be permissible. However, for UMS licensee the dial out facility shall not be permitted.</p>
27.3	--	<p>Voice Mail/Audiotex licensee shall provide a watchdog terminal with access limited to unfiltered CDR file to the licensor/designated monitoring agencies.</p>

27.4	--	The Voice Mail/Audiotex service provider shall make available all detailed information about the conference calls e.g. the parties in conference, date, time, duration of the conference etc., on demand, to licensing authority. The list of registered subscribers of Audiotex service providers shall also be given, on demand, to licensing authority. The information shall be stored for at least two years period.
30.6	--	Point to point conferencing and calling card facility shall not be provided by Voice Mail/Audiotex licensees.
30.7	--	Dial out facility shall not be used in whatsoever manner for any illegal by pass of STD/ISD traffic of any licensed access service providers. Voice Mail/Audiotex licensee shall have to give undertaking in this regard.

So, by this amendment, dial out facility was allowed for Voice Mail/Audiotex services, provided that the resources are taken from one service provider with the prohibition of not using this facility for illegal bypass of STD/ISD traffic of any licensed access service provider. It also mandated preservation of call detail records for conference calls and prohibited point to point conferencing. The very nature of the service permitted was modified by the amendment made in the licence agreement.

2.8 Taking a holistic view of the present licence with all its amendments and guidelines it is apparent that multi-party audio conferencing is allowed with the prohibition of point to point conferencing and illegal bypass of STD/ISD traffic of licensed access service providers. However, the licence agreement does not refer explicitly to any Audio Conferencing related standards document of TEC or any other standardisation body.

B. Necessity of Standalone licence for Voice Mail/ Audiotex/ Audio Conferencing/UMS services

2.9 After considering the recommendations of TRAI for Unified Licences, the Government decided to grant Unified Licence (UL). As per the UL guidelines issued on 19th August 2013 the basic features of UL are as follows:-

- (i) Allocation of spectrum is delinked from the licences and has to be obtained separately as per prescribed procedure.
- (ii) Applicant can apply for Unified Licence along with authorisation for any one or more services listed below:
 - (a) Unified Licence (All Services)
 - (b) Access Service (Service Area-wise)
 - (c) Internet Service (Category-A with All India jurisdiction)
 - (d) Internet Service (Category-B with jurisdiction in a Service Area)
 - (e) Internet Service (Category-C with jurisdiction in a Secondary Switching Area)
 - (f) National Long Distance (NLD) Service
 - (g) International Long Distance (ILD) Service
 - (h) Global Mobile Personal Communication by Satellite (GMPCS) Service
 - (i) Public Mobile Radio Trunking Service (PMRTS)Service
 - (j) Very Small Aperture Terminal (VSAT) Closed User Group (CUG) Service
 - (k) INSAT MSS-Reporting (MSS-R) Service
 - (l) Resale of International Private Leased Circuit (IPLC) Service

Authorisation for Unified Licence (All Services) would however cover all services listed at para (ii) (b) in all service areas, (ii) (c), (ii) (f) to (ii) (l) above.

2.10 The Voice Mail/Audiotex/Unified Messaging Services (UMS) licences were not migrated to the Unified Licence. Standalone Voice Mail/Audiotex/Unified Messaging Services (UMS) licences continue to be issued as per the guidelines existing prior to issue of UL guidelines. The following questions were asked in the consultation paper to solicit the views of the stakeholders on the need for standalone licences for Voice Mail, Audiotex or Audio conferencing and also the relevant technical specifications:

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

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

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

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

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

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

2.11 As per the clause 7.4 (Part I: General Conditions) of the Voice Mail/Audiotex/Unified Messaging Services Licence; for providing UMS

under the licence, in addition to the licence for Voice Mail/Audiotex/Unified Messaging Services, the licensee must also have an ISP licence. The ISP licence as well as Voice Mail/Audiotex/Unified Messaging Services Licence should be for the areas proposed to be covered by Unified Messaging Service. Further, Unified Licensees with Access service authorisation or Internet Service authorisation are allowed to provide Unified Messaging Service. In the list of Voice Mail/Audiotex/UMS licensees available on the DoT website (as on 30.06.2016), only 3 out of 63 operative licensees have opted for Unified Messaging Service.

2.12 In the consultation paper the stakeholders were asked to comment on the following questions related to Unified Messaging Service:

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

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

2.13 The stakeholders were also asked to comment on the following question to solicit their views regarding the inclusion of Voice Mail/Audiotex/UMS service in the Unified Licence:

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

- 2.14 There are extremely divergent views on these questions. However, it is clearly evident from the responses of most of the stakeholders that the existing Voice Mail /Audiotex/UMS licences are being used to provide primarily audio conferencing services to enterprise customers.
- 2.15 Some of the stakeholders are of the view that there is no need of standalone licence for these services. These stakeholders submitted that these services should be provided only under Unified Licence with access service authorisation. Further all clauses prescribing specific conditions/prohibitions related to Audiotex services may be incorporated in UL (Access service authorisation). According to these stakeholders, the existing licences are being used for arbitrage, revenue loss to TSP's and are creating security risk for the nation. The standalone licence for Voice Mail/ Audiotex/UMS creates a non-level playing field. They argued that the Basic/CMTS/UASL/UL(AS) licensees are paying 8% of AGR as licence fee while there is no licence fee for Voice Mail /Audiotex/UMS licensees.
- 2.16 Some stakeholders are not in favour of any licence for these services. These stakeholders submitted that there should be registration mechanism for these services similar to that for 'Other Service Providers'. They are of the view that the services under Voice Mail/ Audiotex/ UMS are offered using the access services of the licensed Telecom Services Providers and should not be subject to further licence under section 4 of the Indian Telegraph act 1885. Some of the stakeholders are of the view that these services are 'content services' and not 'carriage services' and hence should not be licensed.
- 2.17 A few stakeholders are of the view that the existing standalone licences should continue. Some stakeholders representing association of service providers have given both the views (i.e. licensing under UL with access

service authorisation or registration similar to OSP's) because of failure to reach consensus among their members.

- 2.18 Some stakeholders opposing the licensing regime for these services have mentioned that these services may be made technology neutral and audio conferencing, web conferencing and video conferencing may be allowed. They have suggested that the scope of these services may be enlarged and interconnection between PSTN originated calls and calls originated from private IP based CUG networks may be allowed on the same conference bridge. They have also submitted that the prohibitory clauses introduced vide amendment dated 26.08.2004 may be removed. These clauses make it mandatory for the licensee to make available all detailed information about conference calls and prohibit point to point conferencing and calling card facility. This amendment also allows for dial out facility for Voice Mail/ Audiotex services if the resources are taken from only one service provider, provided that it is not used in any manner for illegal bypass of STD/ISD traffic of any licensed service provider. These stakeholders are also of the view that security related monitoring and interception may be provided by the access service providers who provide the resources for these services.
- 2.19 A few stakeholders are of the view that the technical specifications which refer to TEC documents are adequate but the audio conferencing related GR of TEC (TEC/SR/SA/ACS-001/01/MAR-09 may be added explicitly for clarity regarding the service.
- 2.20 The stakeholders, mostly in favour of licensing these services under UL with access service authorisation are of the view that the prohibitions in the existing Voicemail/Audiotex/UMS licences are necessary. They have also submitted that these prohibitory terms and conditions may be included in the terms and conditions for providing these services under

UL with access service authorisation. They have also submitted that these terms and conditions should override the TEC GR/SR to prevent arbitrage and loss of revenue to TSP's and the Government.

2.21 Most of the stakeholders were not in favour of any standalone licence for Unified Messaging Service as it can be provided with access service authorisation or Internet Service authorisation under UL.

2.22 As mentioned earlier, some of the stakeholders are of the opinion that Voice Mail/Audiotex/Unified Messaging Services do not fall under the purview of Indian Telegraph Act, 1885. The laws governing the licensing of telecommunications in India are governed by the Indian Telegraph Act, 1885 amended from time to time. Section 4 of the Indian Telegraph Act, 1885 empowers the Central Government to grant licence to establish, maintain or work a telegraph. Section 4 is reproduced below:

“4. Exclusive privilege in respect of telegraphs, and power to grant licenses.— (1) Within India, the Central Government shall have exclusive privilege of establishing, maintaining and working telegraphs:

Provided that the Central Government may grant a license, on such conditions and in consideration of such payments as it thinks fit, to any person to establish, maintain or work a telegraph within any part of India:

Provided further that the Central Government may, by rules made under this Act and published in the Official Gazette, permit, subject to such restrictions and conditions as it thinks fit, the establishment, maintenance and working—

(a) of wireless telegraphs on ships within Indian territorial waters and on aircraft within or above India, or Indian territorial waters, and

(b) of telegraphs other than wireless telegraphs within any part of India.”

2.23 Further the Indian Telegraph Act, 1885 defines the telegraph as:

“telegraph’ means any appliance, instrument, material or apparatus used or capable of use for transmission or reception of signs, signals, writing,

images and sounds or intelligence of any nature by wire, visual or other electro-magnetic emissions, radio waves or Hertzian waves, galvanic, electric or magnetic means.”

2.24 The TEC specification V/VMS-01/02.September, 1994 defines Voice Mail Service as one which *“enables the subscriber to send a message to one or more recipients and to receive messages via a telecommunication network using a combination of store and forward, and store and retrieve techniques.”*

The TEC specification V/ATS.01/01.September, 1994 defines Audiotex Service as *“either a passive or an interactive service which provides through appropriate access by standardised procedure for users of Audiotex service to communicate with databases via telecom network. A subscriber can retrieve the information at any time by interacting with the Audio Service Equipment by using the existing telephone line”.*

The TEC specification GR/UMS-01/01.AUG 2000 defines the objective of Unified Messaging Service as *“to allow subscribers to send, retrieve and manage messages in a uniform way, regardless of whether the message is a voicemail, a fax mail or an e-mail”.*

It is evident from the definitions given above that the messages transferred are in the form of sign, writing, image, sound or intelligence. The equipments used for Voice Mail/Audiotex/UMS services therefore, may be covered under the definition of telegraph as defined in the Indian Telegraph Act, 1885.

2.25 With regard to the views expressed by some of the stakeholders to allow for these services with registration under OSP category, it is felt that OSP category has been created with a different intent and purpose. According to the terms and conditions for Other Service Providers category notified by Department of Telecommunications on 5th August, 2008, ‘Other

Service Provider (OSP)' means a company providing Application Services. Application Services have been defined to mean services like tele-banking, tele-medicine, tele-education, tele-trading, e-commerce, call centre, network operation centre and other IT Enabled Services, by using telecom resources provided by authorised telecom service providers. So, Voice Mail/Audiotex/UMS services are not covered under the definition of Application Services eligible for registration under OSP category.

- 2.26 The existing licences for Voice Mail/Audiotex/UMS services have been issued under the provisions of Section 4 of the Indian Telegraph Act, 1885. Therefore, the licensing of Voice Mail/Audiotex/UMS enables the licensees to seek interconnection from telecom access service providers, take recourse to dispute redressal mechanism and avail better bargaining power for revenue share etc.
- 2.27 The Authority in its recommendations on Spectrum Management and Licensing Framework dated 11th May 2010 recommended the introduction of licensing through authorisation in respect of the PMRTS, radio paging services and other services viz. Voice Mail/Audio Tex/Unified Messaging Service.
- 2.28 TRAI in its recommendations on 'Guidelines for Unified Licence/Class Licence and Migration of Existing Licences' released on 16th April 2012, also recommended guidelines for Licensing through Authorisation, wherein it is recommended that such licensee shall be permitted to offer Voice Mail Service, Audiotex, Videotex, Unified Messaging Service and other value added services within its licence area using the network of Unified Licensee on mutually agreed terms and conditions.
- 2.29 As regards Voice Mail Service, the Authority is of the view that standalone Voice Mail Service has no business case. Voice Mail Services are being provided by the wireless access service providers and several

OTT applications can also provide similar type of service. Some features of Voice Mail can also be provided by landline telephones and mobile handsets having advanced features. However, Voice Mail service has evolved to Call Management service and Call Completion service which allows users to manage an incoming call based on caller-id and status of the called party (driving, busy-in-meeting, out of country/town, time of day etc).

- 2.30 As regards Interactive Voice Response Service, which is a part of Audiotex Service, the Authority is of the view that it is still relevant even though it has been overtaken by Internet based database query systems. In the DoT guidelines dated 16th July 2001 for the issue of licence for Voice Mail/Audiotex/Unified Messaging Services there is a clause which states that there is no need for obtaining any licence for provision of only Audiotex services by Service agencies. However, standalone Audiotex (IVRS excluding audio-conferencing) can be provided by some companies as a service to service organisations using IVRS to serve their customers.
- 2.31 It is also worthwhile to mention that TRAI recommended for no entry fee and no licence fee for Voice Mail and Audiotex service in the year 2000 because they were considered to be 'Content Service'. Conferencing was only mentioned as an optional additional service in the TEC specifications for Audiotex Service. However, multi-party audio conferencing was allowed vide licence amendment in 2004. Audio-conferencing is the main service being provided using this standalone license. It is not a 'Content Service' but a real time communication service using the PSTN/PLMN resources of access service providers and using a conference bridge. So, the argument of no licence fee on account of being a 'Content Service' is no longer tenable. Again, as on date Internet content services are not allowed as pass through charges in

Adjusted Gross Revenue and a uniform licence fee of 8% of AGR has been imposed on all the ISP licensees.

2.32 Audio Conferencing Service using the PSTN resources from access service providers is a globally well established service. The TEC GR on Audio Conferencing Services (TEC/SR/SA/ACS-001/01/MAR-09) defines the parameters of Audio Conferencing Service to be used in Indian Telecom Network. The description of audio conferencing services in this document says that:

“2.1 The audio conferencing service provides real-time transmission of voice between groups of users in two or more locations. The service is bidirectional via telecommunication networks, and provides for interconnection of two or more audio conference terminals and will be able to exchange speech allowing their users to take part in the discussion.

2.2 The entities comprising the Conferencing System are the conference unit which is the centre point for signalling and the participants. The participants who initiated the conference is called the initiating participant.

2.3 The various conferencing services viz. Basic, Advanced etc. can be provided depending on the support available to the participants and users. It is up to the conferencing system manufacturers and the conferencing service provider to decide what services can be built and which services can be offered to the end users. Some applications of Audio Conferencing service are: un-conducted meeting between distant parties, formal conducted meeting between distant parties, panel discussion, lecturing, distance education or training, tele-auction sale.”

2.33 PSTN based Audio Conferencing Service is a fairly regulated telecom service across the world. The licensing provisions for audio conferencing are available in U.K., U.S.A., Canada, Hong Kong, Singapore, Taiwan and Malaysia. In the UK, entities may provide regulated telecommunications

service (an electronic transmission service), which includes Audio Conferencing Service, without first obtaining a licence/registration. Once the entity provisions the service, it must comply with the regulator's (OFCOM's) requirements, including paying an annual administrative fee when the entity's telecommunications revenues exceed Five Million British Pounds Sterling. In the U.S.A., generally, service providers are required to have domestic and/or international 214 authorisations¹ from the US Federal Communications Commission – though technically a company providing the service purely on a non-common carrier basis may not be required to get 214 authorisation. Either way (whether provided on a carrier or non-common carrier basis), revenues from the sale of Audio Conferencing service are subject to the Federal Universal Service Fund (USF) regulatory fee. Similarly, Audio Conferencing is a regulated telecommunications service in Canada and revenues from the Audio Conferencing service are subject to regulatory fees in Canada. In Hong Kong, Conferencing Service is regulated under the Services-Based Operators (SBO) regime in which conferencing service providers are required to obtain SBO licence to offer the service. Conferencing licensees are allowed to set up their own conference bridge but are required to procure network connectivity from the Facilities-Based Operators (FBO) licensees. In Singapore, service providers offering conferencing service would be required to obtain the relevant telecom licence (Services Based Operator or Facilities Based Operator) from the Infocomm Development Authority (IDA) where the applicant would need to provide service description in its submission. In Taiwan, Conferencing service is regulated as a Type 2 telecom service. Conferencing service providers offering service under Type 2 licences are allowed to set up their own conference platform and they are required to lease telecom

¹ FCC requires any entity that provides telecommunications services to or from the USA to receive an authorisation under section 214 of the Communications Act. This authorisation is called an International Section 214 Authorisation.

facilities provided by Fixed Lines/Satellite service providers. In Malaysia, Conferencing service is regarded as an "application service" which is defined as "functions or capabilities, which are delivered to end-users" and licensed under the Application Service Provider licence framework. Conferencing service providers rely on the telecom facilities provided by other Network Services Providers (NSPs) or Network Facilities Service Providers (NFPs).

2.34 Two major objectives of the National Telecom Policy-2012 are to "Simplify the licensing framework" and to "Strive to create One Nation - One Licence" across services and service areas. The Unified licensing regime has been designed in such a way that the licensor as per the clause 2.1 of Chapter I of the Unified Licence document reserves the right to add additional chapters to introduce new services/authorisations.

2.35 It is clearly evident from the responses of the stakeholders that audio conferencing is the main service being provided by the present Voice Mail/Audiotex/Unified Messaging Services licensees. Audio conferencing is mainly an enterprise service required for business enterprises; the sector is mostly led by dedicated audio conference service providers. The Authority is of the view that audio conferencing should be explicitly stated in the licence document as a distinct service. Audiotex and Voice Mail services may also be provided in association with audio conferencing. To promote innovations using the interplay of these three services, the Authority is of the view that a new chapter in the UL named as Audio Conferencing/Audiotex/Voice Mail service may be introduced. The technical specifications for these services should not be kept open because it may lead to arbitrage or misuse. Therefore, the latest TEC specifications may be specified in the technical conditions of the licence subject to amendments from time to time. These specifications should also change with changes in technology. There should be periodical

reviews to keep pace with changes in the technology to weed out technological obsolescence. All the obligations imposed on the licensee in the 'operating conditions' of the existing licence document including clauses introduced vide amendment dated 26.08.2004 should be continued in the licence. It should be ensured that no by-pass of STD/ISD traffic takes place and there is no arbitrage. However, dial out facility using resources of more than one access service provider may be allowed with the condition that STD/ISD traffic should not be bypassed.

- 2.36 If PSTN originated calls and calls originated from private IP based CUG networks are allowed to be interconnected on a conference bridge, it may lead to Global Audio Conference capabilities with a loss of revenue to ILD licensees. This type of call could not be monitored and therefore may lead to security breaches. Calls originating from India over IP Bridge connectivity can be taken out-side India, and using multiple VoIP hops may become untraceable. With the present security monitoring capabilities, it will be impossible to trace the calls, misuse of which cannot be ruled out. Hence, it is not advisable to allow the interconnection of PSTN originated calls and calls originated from private IP based CUG networks. The Access service authorisation under UL prohibits interconnection of CUG and with PSTN/PLMN/GMPCS/Internet Telephony Network. The Clause 2.1 (a)(v) says that :

“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”.

Similarly, interconnection between public network and CUG network is also prohibited under NLD and ILD authorisations of the UL.

- 2.37 The Authority is of the view that there is no business case to continue with standalone UMS licence. UMS can be provided under Access service

or Internet Service authorisation under UL. Among the 63 licensees of Voice Mail/Audiotex/ Unified Messaging Services as on 30.06.2016 only 3 have opted for UMS.

2.38 In view of the above, the Authority recommends that

- i. A new chapter for authorisation titled “Audio Conferencing/Audiotex/Voice Mail services” should be added in the Unified Licence. However, licensees with Access Services licence authorisation should also be allowed to provide these services.**
- ii. The latest TEC specifications on Audio Conferencing/Audiotex/Voice Mail should be specified in the technical conditions of the recommended chapter in UL subject to modifications or updates from time to time. However, Licence terms and conditions should override anything mentioned in the technical specifications.**
- iii. The clauses in the ‘Operating Conditions’ of the existing Voice Mail/Audiotex/Unified Messaging Services licence should be made a part of the recommended chapter on Audio Conferencing/Audiotex/Voice Mail in the Unified Licence.**
- iv. Dial out facility using resources of more than one access service provider may be allowed with the condition that STD/ISD traffic should not be bypassed.**
- v. The terms and conditions for providing these services under access service authorisation as well as under Audio Conferencing/Audiotex/Voice Mail services authorisation recommended by the Authority, should be same.**
- vi. Calls originating from PSTN/PLMN/GMPCS/Internet Telephony networks should not be interconnected with those from Private/CUG networks.**

- vii. There should not be any standalone licence for Unified Messaging Service. The UMS service may be provided with access service authorisation or Internet Service authorisation under Unified Licence.**

C. Service Area for the Licence

2.39 The country has moved to a unified licensing regime in telecom. However, standalone Voice Mail/Audiotex/Unified Messaging Services (UMS) licences are being issued as per the guidelines existing prior to issue of UL guidelines. The service area for Voice Mail/Audiotex/Unified Messaging Services licensees are SDCAs (Short Distance Charging Areas). On the other hand the service areas for Basic Service licensees, UAS licensees and licensees with Access Service authorisation under Unified Licence are the Telecom Circles/Metro areas. Only the Category 'C' ISP licence authorisation under Unified Licence has the jurisdiction in a Secondary Switching Area.

2.40 In this context, the stakeholders were asked to comment on the following question related to service area for these services:

“Q10. If the answer to the Q9 is in the affirmative, what should be Service Area? Whether Service Area may be similar to the Service Area of ISP (National Area, Telecom Circle/Metro Area, Secondary Switching Area) to bring in uniformity among the Service Areas of different services? Please provide detailed justification?”

2.41 This question has no relevance for stakeholders who are opposing any type of licence for these services. Most of the stakeholders in favour of these services under UL licence are insisting on licences at least at LSA level. They are also insisting on subscriber acquisition by the licensee in the licensed service area only. A few stakeholders have supported licences at SSA/LSA/All India level.

2.42 In the Clause 2.1 under 'scope of the licence' of the existing Voice Mail/Audiotex/UMS licence document it is mentioned that:

"The LICENSEE shall be permitted to provide in its area of operation Voice Mail/Audiotex/Unified Messaging Service using MTNL/BSNL/Other Licensed Private Operators Network".

The Schedule of Service Area of the existing licence says:

"The Service Area for which this Licence is awarded is given below and shall be Short Distance Charging Area (SDCA) on the basis of local dialing".

As per clause '9' of Annexure 1 under the head "Definitions of Terms and Expressions" the Service Area is defined as under:

"Service Area" defines the Short Distance Charging Area (SDCA) within which the Licensee may operate and offer the Services as given in Schedule "A".

In a clause 7.2 under 'Provision of Service' of the existing licence it is mentioned that

"From outside the SDCA the service will be allowed to be accessed on STD calls basis. The Service Provider could install his equipment within the SDCA for which Licence is granted."

From the responses of some of the stakeholders it appears that they are assuming that the customer acquisition can be done by the Voice Mail/Audiotex/UMS licensee in the entire country. However, a combined reading of these clauses obligate upon the licensee to restrict customer acquisition only within the service area for which licence has been granted. Some other stakeholders have requested that customer acquisition may be allowed for these licensees across the country instead of restricting it to a specific SDCA.

2.43 The Authority is of the view that SDCA based licensing for this service is outdated and was made with the view of Interactive Voice Response Service and Voice Mail Service. The nature of the main service i.e. Audio Conferencing is such that it is difficult to confine it within the geographical boundaries of a SDCA. Most of the enterprise customers availing this service may have offices across the country. Since customer acquisition is to be confined to the licensed service area, the Authority is of the view that the new licences should only be issued for National Area so that there is no restriction for the licensee to acquire customers in any part of the country. However, the Audio Conferencing/ Audiotex/ Voice Mail services should not be used in whatsoever manner for any illegal by pass of STD/ISD traffic of any licensed access service provider.

2.44 **In view of the above, the Authority recommends that**

- i. In the recommended chapter for Audio Conferencing/ Audiotex/Voice Mail services authorisation under UL the service area should be National Area only.**
- ii. The services should not be used in whatsoever manner for any illegal by pass of STD/ISD traffic of any licensed access service provider.**

D. Financial Terms and Conditions of the Licence

2.45 As per the licence agreement for Voice Mail/Audiotex/Unified Messaging Services, there is no provision of Entry Fee or Licence Fee. Only a Performance Bank guarantee of Rs 3 lakhs is required to be submitted to ensure compliance of licence conditions.

2.46 The salient points related to Entry Fee and annual licence fee covered in the broad guidelines issued on 19th August 2013 for grant of Unified Licence by the DoT are as follows:

- (i) A one-time non-refundable Entry Fee for authorisation of each Service and service area shall be payable before signing of licence agreement and thereafter for each additional authorisation. The total amount of Entry Fee shall be subject to a maximum of Rs. 15 Crore (Rupees Fifteen crore only).
- (ii) In addition to the Entry Fee, an annual licence fee as a percentage of Adjusted Gross Revenue (AGR) shall be paid by the Licensee service-area wise for each authorised service separately as per procedure prescribed in applicable Chapter of Unified Licence from the effective date of the respective authorisation. The Licence Fee is at present 8% of the AGR, inclusive of USO Levy which is presently 5% of AGR. Provided that from Second Year of the effective date of respective authorisation, the Licence Fee shall be subject to a minimum of 10% of the Entry Fee of the respective authorised service and service area.

2.47 The Gross Revenue and Adjusted Gross Revenue (AGR) for the purpose of calculation of Licence Fee for different services authorised under the Unified Licence are defined in the respective chapters of the service in PART-II of the Unified Licence. The annual licence fee for all the services under Unified Licence as well as for existing UASL/CMTS/Basic Service/NLD/ILD/ISP licences has been uniformly fixed at 8% of AGR since 1st April 2013. The definitions of 'Gross Revenue' and 'Adjusted Gross Revenue' for Access Service authorisation under Unified Licence are as follows:

“3.1 GROSS REVENUE

The Gross Revenue shall be inclusive of installation charges, late fees, sale proceeds of handsets (or any other terminal equipment etc.), revenue on account of interest, dividend, value added services, supplementary services, access or interconnection charges, roaming charges, revenue from permissible sharing of infrastructure and any

other miscellaneous revenue, without any set-off for related item of expense, etc.

3.2 Adjusted Gross Revenue (AGR)

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

- (i) PSTN/PLMN/GMPCS related call charges (Access Charges) actually paid to other eligible/entitled telecommunication service providers within India;
- (ii) Roaming revenues actually passed on to other eligible/entitled telecommunication service providers and;
- (iii) Service Tax on provision of service and Sales Tax actually paid to the Government if gross revenue had included as component of Sales Tax and Service Tax.”

2.48 The details of Minimum required Equity, Minimum Net worth, Entry Fee, PBG, FBG and Application Processing Fee for various service authorisations under the Unified Licence are as follows:

Sl No.	Service	Minimum Equity (Rs. Cr.)	Minimum Net worth (Rs. Cr.)	Entry Fee (Rs. Cr.)	PBG (Rs. Cr.)	FBG (Rs. Cr.)	Application Processing Fee (Rs. Cr.)
1	UL(All services)	25.000	25.000	15.000	220.000	44.000	0.010
Service Authorisation wise requirements							
1	Access Service (Telecom Circle / Metro Area)	2.500	2.500	1.000 (0.5 for NE & J&K)	10.000	2.000	0.005
2	NLD (National Area)	2.500	2.500	2.500	2.500	5.000	0.005
3	ILD (National Area)	2.500	2.500	2.500	2.500	5.000	0.005
4	VSAT (National Area)	Nil	Nil	0.300	0.500	0.300	0.005
5	PMRTS (Telecom circle/Metro)	Nil	Nil	0.005	0.010	0.010	0.0015
6	GMPCS (National Area)	2.500	2.500	1.000	2.500	1.000	0.005
7	INSAT MSS-R (National Area)	Nil	Nil	0.300	0.020	0.020	0.005
8	ISP "A" (National Area)	Nil	Nil	0.300	2.000	0.100	0.005
9	ISP "B" (Telecom circle/Metro Area)	Nil	Nil	0.020	0.100	0.010	0.0015
10	ISP "C" (SSA)	Nil	Nil	0.002	0.005	0.001	0.001
11	Resale IPLC(National Area)	2.500	2.500	1.000	2.000	1.000	0.005

2.49 TRAI came out with its recommendations on “Definition of Revenue Base (AGR) for the Reckoning of Licence Fee and Spectrum Usage Charges” dated 6th January 2015. The salient features of the recommendations are as given below:

- (i) Licence Fee (LF) and Spectrum Usage Charges (SUC) should continue to be computed based on Adjusted Gross Revenue.
- (ii) Gross Revenue shall comprise revenue accruing to the licensed entity by way of all operations/activities and inclusive of all other revenue/income on account of interest, dividend, rent, profit on sale of fixed assets, miscellaneous income etc. without any set-off for related items of expense.
- (iii) The concept of Applicable Gross Revenue (ApGR) has been introduced. ApGR would be equal to total Gross Revenue of the licensee as reduced by:
 - (a) Revenue from operations other than telecom activities/operations as well as revenue from activities under a licence/permission issued by Ministry of Information and Broadcasting;
 - (b) Receipts from the USO Fund; and
 - (c) Items of ‘other income’ as listed in the ‘positive list’ (Table 2.1 of Recommendations).
- (iv) AGR then would be arrived by deducting pass through charges from ApGR. No change is recommended in the existing definition of pass through charges (i.e. deductions) under different licences to arrive at AGR for the computation of LF and SUC except the inclusion of access charges paid by TSPs providing international calling card services and toll-free charges.
- (v) Share of USO levy in LF should be reduced from the present 5% to 3% of AGR for all licences with effect from 1st April 2015. With this

reduction, the applicable uniform rate of licence fee would become 6% (from the present 8%) of AGR viz. the 3% of LF that directly accrues currently to the Government will not change.

- (vi) ISPs having AGR less than Rs. 5 crore in the year shall pay licence fee of Rs. 10 lakh or actual LF based on the applicable rate, whichever is less.

2.50 The following questions were asked in the consultation paper to solicit the views of the stakeholders on the financial terms and conditions for these services:

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

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

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

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

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

2.51 These questions have no relevance for stakeholders who are opposing any type of licences. Some of the stakeholders are in favour of provision of these services under UL (access service authorisation) only. However, in case of a separate authorisation under UL, they are of the view that there should be level playing field and AGR similar to that in case of access service authorisation and also uniform terms and conditions should be imposed.

2.52 Most of the existing Voice Mail/Audiotex/UMS licensees are small entities providing customized services to business enterprises. This is an important service which contributes to the efficiency of business enterprises. The Authority is of the view that the financial terms and conditions for the recommended Audio conferencing/Audiotex/Voice Mail authorisation under UL should be very liberal with no minimum equity and minimum net worth requirements. However, these terms and conditions should also act as a deterrent to non-serious players and fly by night operators.

2.53 **In view of the above, the Authority recommends that**

i. The financial terms and conditions for the recommended Audio Conferencing/Audiotex/Voice Mail authorisation under UL should be as follows:

Sl No.	Service	Minimum Equity (Rs. Cr.)	Minimum Net worth (Rs. Cr.)	Entry Fee (Rs. Cr.)	PBG (Rs. Cr.)	FBG (Rs. Cr.)	Application Processing Fee (Rs. Cr.)
1	Audio Conferencing/ Audiotex/ Voice Mail (National Area)	Nil	Nil	0.100	0.100	0.010	0.0015

After one year, the amount of FBG shall be equivalent to the estimated sum payable equivalent to Licence fee for two quarters and other dues not otherwise securitized. The amount of FBG shall

be subject to periodic review on six monthly basis by the Licensor and shall be renewed from time to time.

ii. The annual licence fee for the recommended Audio Conferencing/Audiotex/Voice Mail Service authorisation should be made same as that in other licence authorisations in the Unified Licence (which is presently 8% of Adjusted Gross Revenue; inclusive of USO levy which is presently 5% of AGR).

iii. The definition of AGR for the recommended Audio Conferencing/Audiotex/Voicemail service authorisation under Unified Licence should be made similar to that for access service authorisation under Unified Licence.

2.54 The Authority reiterates its recommendations on “Definition of Revenue Base(AGR) for the Reckoning of Licence Fee and Spectrum Usage Charges” dated 6th January 2015

E. Duration of the licence and Migration of existing licensees

2.55 The period of the existing Voice Mail/Audiotex/Unified Messaging Services licence is 15 years, with the provision for extending the same for another 5 years. The existing licensees for Voice Mail/Audiotex/Unified Messaging Services have not paid any entry fee and are not paying any licence fee as well.

2.56 On the issue of duration of the licence and migration of the existing licences to the new licensing regime, the following questions were asked in the consultation paper:

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

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

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

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

2.57 The stakeholders in favour of these services under of UL are of the view that the licences should be granted for 20 years. Others are asking for registration only for 10 years extendable by another 10 years. Some of the stakeholders are supporting mandatory migration while others are opposed to any forced migration. However, some are insisting on similar terms and conditions (particularly licence fee) for those who migrate and those who do not migrate.

2.58 As per the UL guidelines, existing licensees have been given the option to migrate to UL. On migration, UL should be for a period of 20 years irrespective of the validity period of the licence already held. Entry fee applicable for migration to UL shall be equal to the entry fee for new UL, with the provision of pro-rata rebate on the entry fee already paid for obtaining respective licences, based on the balance number of years.

2.59 Some stakeholders have also pointed to the fact that there are no specific terms and conditions for providing these services under Basic Service licence or UASL or CMTS.

2.60 The Authority is of the view that there should be a level playing field. The country has moved to a unified licensing regime. Hence, no standalone licences for Voice Mail/Audiotex/UMS should be issued. The existing licensees of Voice Mail/Audiotex/UMS services may be given the option to migrate to Audio Conferencing/Audiotex/Voice Mail services authorisation under UL. There should not be any mandatory migration as per the guidelines for the migration to Unified licensing regime. However, the annual licence fee should be made similar for new licensees and for those who do not migrate. Since, no entry fee has been paid by the existing licensees there is no justification for rebate in entry fee during migration. The period of licence on migration should be 20 years from the effective date of migration. The terms and conditions for provision of these services under Basic Services Licence, UASL or CMTS may also be clearly specified and should be made similar to the terms and conditions in the recommended chapter on Audio conferencing/ Audiotex/ Voice Mail Services in the UL. The Authority is of the view that if the terms and conditions are not clear there is a chance of misuse and arbitrage by these licensees as well.

2.61 **The Authority recommends that the duration of the recommended Audio Conferencing/Audiotex/Voice Mail authorisation should be made twenty years similar to other authorisations under UL.**

2.62 **The Authority recommends that**

- i. **Standalone Voice Mail/Audiotex/Unified Messaging Services licence should be discontinued. No, further renewal of these licences should be done.**
- ii. **The existing Voice Mail/Audiotex/Unified Messaging Services licensees may be given the option to migrate to the recommended Audio Conferencing/ Audiotex/ Voice Mail**

authorisation under UL. There should not be any mandatory migration. On migration, licence should be for a period of 20 years irrespective of the validity period of the licence already held.

- iii. The annual licence fee for existing standalone Voice Mail/Audiotex/UMS licensees who do not migrate to UL should also be made equal to 8% of Adjusted Gross Revenue. The definition of AGR should be made similar to that for Access service authorisation under UL.**
- iv. The existing standalone Voice Mail/Audiotex/UMS licensees may be allowed to acquire customers only in the SDCA for which the licence has been granted; as per the clause 2.1 of the existing licence agreement document.**
- v. The terms and conditions for provision of these services under Basic Services Licence, UASL or CMTS may also be clearly specified and should be made similar to the terms and conditions in the recommended chapter on Audio Conferencing/Audiotex/Voice Mail Services in the UL.**

Chapter-III

Summary of Recommendations

3.1 The Authority recommends that

- i. A new chapter for authorisation titled “Audio Conferencing/Audiotex/Voice Mail services” should be added in the Unified Licence. However, licensees with Access Services licence authorisation should also be allowed to provide these services.**
- ii. The latest TEC specifications on Audio Conferencing/Audiotex/Voice Mail should be specified in the technical conditions of the recommended chapter in UL subject to modifications or updations from time to time. However, Licence terms and conditions should override anything mentioned in the technical specifications.**
- iii. The clauses in the ‘Operating Conditions’ of the existing Voice Mail/Audiotex/Unified Messaging Services licence should be made a part of the recommended chapter on Audio Conferencing/Audiotex/Voice Mail in the Unified Licence.**
- iv. Dial out facility using resources of more than one access service provider may be allowed with the condition that STD/ISD traffic should not be bypassed.**
- v. The terms and conditions for providing these services under access service authorisation as well as under Audio Conferencing/Audiotex/Voice Mail services authorisation recommended by the Authority, should be same.**
- vi. Calls originating from PSTN/PLMN/GMPCS/Internet Telephony networks should not be interconnected with those from Private/CUG networks.**

- vii. **There should not be any standalone licence for Unified Messaging Service. The UMS service may be provided with access service authorisation or Internet Service authorisation under Unified Licence.**

3.2 The Authority recommends that

- i. **In the recommended chapter for Audio Conferencing/Audiotex/Voice Mail services authorisation under UL the service area should be National Area only.**
- ii. **The services should not be used in whatsoever manner for any illegal by pass of STD/ISD traffic of any licensed access service provider.**

3.3 The Authority recommends that

- i. **The financial terms and conditions for the recommended Audio Conferencing/Audiotex/Voice Mail authorisation under UL should be as follows:**

Sl No.	Service	Minimum Equity (Rs. Cr.)	Minimum Net worth (Rs. Cr.)	Entry Fee (Rs. Cr.)	PBG (Rs. Cr.)	FBG (Rs. Cr.)	Application Processing Fee (Rs. Cr.)
1	Audio Conferencing/Audiotex/Voice Mail (National Area)	Nil	Nil	0.100	0.100	0.010	0.0015

After one year, the amount of FBG shall be equivalent to the estimated sum payable equivalent to Licence fee for two quarters and other dues not otherwise securitized. The amount of FBG shall be subject to periodic review on six monthly basis by the Licensor and shall be renewed from time to time.

- ii. **The annual licence fee for the recommended Audio Conferencing/Audiotex/Voice Mail Service authorisation should be made same as that in other licence authorisations in the Unified Licence (which is**

presently 8% of Adjusted Gross Revenue; inclusive of USO levy which is presently 5% of AGR).

- iii. The definition of AGR for the recommended Audio Conferencing/Audiotex/Voicemail service authorisation under Unified Licence should be made similar to that for access service authorisation under Unified Licence.

3.4 The Authority reiterates its recommendations on “Definition of Revenue Base (AGR) for the Reckoning of Licence Fee and Spectrum Usage Charges” dated 6th January 2015.

3.5 The Authority recommends that the duration of the recommended Audio Conferencing/Audiotex/Voice Mail authorisation should be made twenty years similar to other authorisations under UL.

3.6 The Authority recommends that

- i. **Standalone Voice Mail/Audiotex/Unified Messaging Services licence should be discontinued. No, further renewal of these licences should be done.**
- ii. **The existing Voice Mail/Audiotex/Unified Messaging Services licensees may be given the option to migrate to the recommended Audio Conferencing/ Audiotex/ Voice Mail authorisation under UL. There should not be any mandatory migration. On migration, licence should be for a period of 20 years irrespective of the validity period of the licence already held.**
- iii. **The annual licence fee for existing standalone Voice Mail/ Audiotex/UMS licensees who do not migrate to UL should also be made equal to 8% of Adjusted Gross Revenue. The definition of AGR should be made similar to that for Access service authorisation under UL.**

- iv. The existing standalone Voice Mail/Audiotex/UMS licensees may be allowed to acquire customers only in the SDCA for which the licence has been granted; as per the clause 2.1 of the existing licence agreement document.**

- v. The terms and conditions for provision of these services under Basic Services Licence, UASL or CMTS may also be clearly specified and should be made similar to the terms and conditions in the recommended chapter on Audio Conferencing/Audiotex/Voice Mail Services in the UL.**

List of Acronyms

S.No.	Acronym	Description
1	AGR	Adjusted Gross Revenue
2	ApGR	Applicable Gross Revenue
3	CDR	Call Detail Record
4	CMTS	Cellular Mobile Telephone Services
5	ETSI	European Telecommunication Standards Institute
6	FBG	Financial Bank Guarantee
7	GMPCS	Global Mobile Personal Communication by Satellite
8	GR	Generic Requirements
9	ILD	International Long Distance
10	INSAT	Indian National Satellite System
11	IPLC	International Private Leased Circuit
12	ISD	International Subscriber Dialing
13	ISP	Internet Service Provider
14	IVRS	Interactive Voice Response System
15	LF	Licence Fee
16	MSS-R	Mobile Satellite System -Reporting
17	NLD	National Long Distance
18	PBG	Performance Bank Guarantee
19	PCM	Pulse Code Modulation
20	PLMN	Public Land Mobile Network
21	PMRTS	Public Mobile Radio Trunking Service
22	PSTN	Public Switched Telephone Network
23	SDCA	Short Distance Charging Area
24	SMS	Short Messages Service
25	SR	Service Requirements
26	SSA	Secondary Switching Area
27	STD	Subscriber Trunk Dialing

28	TEC	Telecommunication Engineering Centre
29	UASL	Unified Access Service Licence
30	UL	Unified Licence
31	UMS	Unified Messaging Service
32	USO	Universal Service Obligation
33	VMS	Voice Mail Service
34	VSAT	Very Small Aperture Terminal

Annexure-I

Government of India
Ministry of Communications and IT
Department of Telecommunications
Sanchar Bhawan, 20, Ashoka Road, New Delhi-110001
(CS-I Cell)

No. 846-53/2015-CS

Dated: 19th Jan 2016

To
The Secretary
Telecom Regulatory Authority of India (TRAI),
MTNL Building,
Jawahar Lal Nehru Marg,
New Delhi-110002

Subject: Recommendations of TRAI in regard to review of terms and conditions for issue of licences for Audiotex/ Voice Mail /Unified Messaging Services (UMS).

Dear Sir,

As you are aware, after considering the recommendations of TRAI for Unified Licenses, the Government decided to grant Unified Licenses for various services. However, Voicemail/ Audiotex/ Unified Messaging Services (UMS) licenses are not included in the Unified License. Therefore, Voicemail/ Audiotex/ Unified Messaging Services (UMS) licenses continue to be issued as per the existing guidelines prior to issue of UL guidelines.

2. Earlier, the TRAI was requested vide DOT letter No. 311-79/99-VAS dated 7th August, 2000 to give recommendations and on the basis of the recommendations of TRAI, guidelines in respect of Voice Mail /Audiotex/Unified Messaging Services were issued vide letter No. 846-53/2000-VAS dated 16th July, 2001(enclosed as Annexure-I). Application format for Voice Mail /Audiotex/Unified Messaging Services and license agreement had also been approved in 2001 by the competent authority. Subsequently, amendments were issued vide letter No. 846-38/96-VAS (Vol.II)/80 dated 26.08.2004 (enclosed as Annexure-II), and letter No. 846-110/2013-CS-I dated 06.12.2013 to incorporate changes in FDI conditions (enclosed as Annexure-III). A copy of the existing license agreement is enclosed as Annexure-IV.

3. Keeping in view the changes in technology during this period and the resultant new user applications and service delivery scenarios, there is a need to review the technical and financial specifications, scope and guidelines for services and the license conditions. The Recommendations of the TRAI are accordingly required for terms and conditions of issue of fresh licenses and for migration of existing licenses, if required, including issues such as Entry fee, Percentage of Revenue to be shared with the licensor (Including definition of revenue for the purpose), USO fund,

technical specifications, financial terms and conditions, period of license etc. TRAI may also give its view on any other issues considered relevant.

4. It would be appreciated, if TRAI can indicate the time by which it would be possible for TRAI to make available the requisite recommendations.

Encl: As above



(Dr. R.M. Chaturvedi)
DDG (CS)