



TTL response to Consultation Paper on
“Reforming the Guidelines for Transfer/Merger of Telecom Licenses”

Question 1. What reforms are required to be made in the existing guidelines on Transfer/Merger of Licenses to enable simplification and fast tracking of approvals? Kindly provide clause-wise response along with detailed justification.

TTL Response

TTL is of the view that in case of a merger of mobile business between two operators, the transferor (company to be acquired) should be allowed to retain spectrum for a specified period post merger. This is required to migrate active subscribers on transferor’s network to transferee (resultant entity). Applicable levies like SUC shall be payable for the extended period. It is recommended that transferor company should be allowed to retain spectrum for 3 months to complete subscriber migration without any hurdle. This is crucial especially in case of Administratively allocated spectrum. As per existing Guidelines, any spectrum which is not being transferred to resultant entity, should be surrendered back to Licensor (DoT). This will lead to discontinuity of service and inconvenience to customer. To avoid this, the transferor company should be allowed to retain the spectrum for 3 months from the date of merger for smooth transfer of customer to the transferee network.

TTL also suggests that the list of outstanding demands should be taken as of the date, DoT issues first in principle approval, which is submitted to NCLT. List should not be kept open to enable smoother transaction. The time period of 30 days provided to DoT to take on record, should be made mandatory. If the same is not complied within the given timeframe, the merger should be deemed to have been taken on record. This can be executed in following manner:

- I. Conditional approval should be issued in 3 working days from submission of NCLT order by Licensee.
- II. If Licensee wants to challenge any condition, it may do it in 5 working days, of receipt of conditional approval.
- III. In case when TDSAT gives an order for allowing merger and to be taken on records by the Licensor and an appeal has to be filed to challenge the TDSAT orders, the appeal must be filed within 10 days of order.
- IV. If DoT moves ahead with the filing of an appeal against the TDSAT order, they should inform the licensee within 5 days, on what grounds and it is moving ahead with such an appeal.

With regards to the interpretation of stay on demands, there are different languages used by courts like status quo, no coercive action, etc. Any language which stops DoT from enforcing immediate payment should be treated as a stay. There should also be no requirement of carving out OTSC demands, for which Bank Guarantee has to be provided.



Also, the Draft of Undertaking to be furnished by demerged licensee should be amended to make it clear that any conditions [or omission] shall be without prejudice to rights and contentions of parties regarding validity of such conditions [or omission] and their right to seek legal recourse is not curtailed or abrogated.

Question 2. Whether mandatory access to MVNOs should be provisioned in the DoT M&A Guidelines to address the competition concerns? If yes, in which cases the access should be mandated and what should be the guiding principles for provision of wholesale access to MVNOs? If no, kindly provide justification.

TTL Response

TTL is of the opinion that MVNO access may not need be part of CP on M&A. It may be dealt with through separate consultation / guidelines of MVNO.

Question 3. In your view, what changes are required in the provisions of UL so as to make them unambiguous? Please provide justification.

TTL Response

TTL is of the opinion that each telecom operator has been allocated resources which are common for both mobility as well as wireline and/or enterprise business and are allocated as part of UASL/UL unlike resources like MSC Codes which are given for purpose of only mobile business. For example, Signalling Point (SP) codes, Service Control Point (SCP) codes etc. These codes are used for both mobility as well as wireline and/or enterprise business. In case of a partial merger, wherein only mobility business is being demerged and merged with another company, provisions should be made in the M&A guidelines to segregate these common resources and especially MW must also be available with an access Licensee including wireline. The common resources allocated as part of license (UASL/UL) should not be transferred to the merged entity in entirety.

Question 4. If there are any other issues / suggestions relevant to the subject, stakeholders may submit the same with proper explanation and justification.

TTL Response

TTL suggests that the Final order on merger must specify the details of resources which are being transferred to resultant entity and which are being retained by transferor company (in case of partial merger) and what is being surrendered back to DoT or Licensor.



Currently there is no clarity in the existing M&A guidelines regarding transfer of MW resources in case of merger of mobility business. TTL is of the view that the resultant entity should have First Right of Refusal on all MW resources subject meeting terms and conditions laid down by the DoT. The MW carriers allocated to transferor (company to be acquired) should not be de-linked from the process of M&A.