



Vodafone
idea

VIL/PB/RCA/2023/023

August 24, 2023

Advisor (Networks, Spectrum and Licensing)
Telecom Regulatory Authority of India,
Mahanagar Doorsanchar Bhawan,
Jawaharlal Nehru Marg (Old Minto Road),
New Delhi – 110002

भारतीय दूरसंचार विनियामक प्राधिकरण
महानगर दूरसंचार भवन, नई दिल्ली-०२
पंजीकरण सं. 25001-
24 AUG 2023
ई आफिस सं. 105044

Kind Attn: Shri Akhilesh Kumar Trivedi

Subject: Comments on the TRAI's Supplementary Consultation Paper on "Data Communication Services between Aircraft and Ground Stations Provided by Organizations Other Than Airports Authority of India" dated August 03, 2023

Dear Sir,

Kindly find enclosed herewith comments from Vodafone Idea Limited to the TRAI's Supplementary Consultation Paper on "Data Communication Services between Aircraft and Ground Stations Provided by Organizations Other Than Airports Authority of India" dated August 03, 2023.

We hope our comments will merit your kind consideration please.

Thanking you,

Yours sincerely,

For **Vodafone Idea Limited**


P. Balaji
Chief Regulatory & Corporate Affairs Officer

Enclosed: As stated above

myvi.in

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**VIL Comments to the TRAI Supplementary Consultation Paper on
“Data Communication Services between Aircraft and Ground Stations
Provided by Organizations Other Than Airports Authority of India”**

At the outset, we are thankful to the Authority for giving us this opportunity to provide our comments to the TRAI’s Supplementary Consultation Paper on “Data Communication Services between Aircraft and Ground Stations Provided by Organizations Other Than Airports Authority of India” dated 03.08.2023.

In this regard, we would like to submit our question-wise comments for Authority’s kind consideration, as given below:

SQ1. In case it is decided to bring data communication services between aircraft and ground stations provided by organizations other than Airports Authority of India under service licensing regime, what should be the eligibility conditions for obtaining service licence for data communication services between aircraft and ground stations? Please provide a detailed response with justifications.

VIL Comments to SQ. no. 1

1. We had submitted in our comments to the main consultation paper that data communication services and radio frequency usage between aircraft and ground stations should be brought under a suitable service licensing regime, with a defined scope i.e. only for data communication services between Aircraft and Ground stations and no services to aircraft passengers or otherwise.
2. For uniformity and consistency, it would be apt that the data communication services between aircraft and ground stations are brought under Unified License through a separate authorization.
3. Presently, the guidelines to Unified License provides eligibility conditions for legal entities to apply for grant of Unified License and desired authorization(s). As observed, the eligibility conditions would generally fall under two categories i.e. (a) General eligibility conditions which are authorization agnostic; and (b) Authorization specific eligibility conditions. Examples of such conditions are provided below:
 - (a) General eligibility conditions – Agnostic to Authorization: The applicant must be an Indian company, registered under the Indian Companies Act’1956.



- (b) Authorization specific eligibility conditions: The applicant company shall have a minimum paid up equity capital and networth of the amount indicated in Annexure-I for the respective Service(s) and Service Area(s)...
4. In our view, the guiding principle while introducing new authorizations or regulatory norms, should be to ensure uniformity and consistency in the applicable policies. Therefore, we would like to submit that:
- a. The general eligibility conditions (Authorization agnostic) should apply to authorization related to provision of data communication services between aircraft and ground stations as well.
 - b. In case of authorization specific eligibility conditions (like minimum paid up equity capital, networth) should also apply to authorization related to provision of data communication services between aircraft and ground stations. However, the values should be prorated basis the market size/revenue potential, from such services.

SQ2: In case it is decided to auction the spectrum in the frequency range 117.975-137 MHz for Data Communication Services Between Aircraft and Ground Stations, -

- (a) What should be the eligibility conditions for participating in auction?
- (b) Whether the entire available spectrum in 117.975 - 137 MHz band at each airport/ ground station should be put to auction?
- (c) What should be the block size of spectrum and minimum bid quantity in terms of number of blocks?
- (d) What should be the spectrum cap for each airport/ ground station?
- (e) What should be the roll-out obligations associated with the assignment of spectrum at each airport/ ground station?
- (f) What should be the period of assignment of spectrum?
- (g) What should be the minimum period beyond which the spectrum acquired through auction may be permitted to be surrendered?
- (h) What should be the process and associated terms and conditions for permitting surrender of spectrum through auction?

Kindly provide a detailed response with justification in respect of each of the above.

VII Comments to SQ. no. 2



1. As stated above, the guiding principle while introducing new authorizations or regulatory norms or spectrum auction modalities, should be to ensure uniformity and consistency in the applicable policies.
2. We have submitted in our comments to main consultation that spectrum is a valuable and inexhaustible natural resource and has element of public good therefore, it is vital to ensure efficient management and use of the spectrum as well as no loss to the National Exchequer. For this, we had submitted that spectrum is given through a transparent and open auction process. With this background, we would like to further submit as below.

3. **Eligibility conditions for participating in auction:**

- a. The eligibility criteria for participation in auction, has been provided under the NIA issued by DoT on 15.06.2022, as follows:

3.1 Eligibility criteria to participate in the Auction

(i) Any licensee that holds a UASL/ UL with authorization for Access Services for that LSA; or

(ii) Any licensee that fulfils the eligibility criteria for obtaining a Unified License with authorization for Access Services, and gives an undertaking to obtain a Unified License with authorization for Access Services; or

(iii) Any entity that gives an undertaking to obtain a Unified License with authorization for Access Services through a New Entrant Nominee as per the DoT guidelines/ license conditions, can bid for the Spectrum in 600 MHz, 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300 MHz & 26 GHz Bands subject to other provisions of the Notice.

- b. In our view, a similar eligibility criteria can be prescribed for legal entities to participate in spectrum auction, for **assignment of spectrum for data communication services between Aircraft and Ground stations.**

4. **Quantum of spectrum to be put to auction:** We are of the view that entire available spectrum for the said services (i.e. 117.975 MHz to 137 MHz) should be put to auction, irrespective of number of existing players etc. Reducing the spectrum from putting into auction, may end up introducing artificial scarcity.
5. **Block size and minimum bid quantity:** Different technologies/bands require different amount of spectrum, block size, minimum quantity, which is based on multiple factors like propagation characteristics, guard band requirements, precedence and established norms from global bodies etc. In similar way, block size and minimum bid quantity should



be fixed for data communication services between aircraft and ground stations, after examining the technology, band and service specific requirements.

6. **Spectrum cap for each airport/ ground station:** Similar to the case of block-size and minimum bid quantity, spectrum cap will also require consideration of market size, minimum number of players required, minimum quantity of spectrum required for giving effective service, evolution of technology globally over said spectrum band etc., for arriving at a suitable spectrum cap.
7. **Roll-out obligations associated with the assignment of spectrum at each airport/ ground station:** As the spectrum is a finite national resource, its auction and assignment should be accompanied with roll-out conditions, which will have to be specific to the services.
8. **Period of assignment of spectrum and norms for spectrum surrender:** The period of spectrum assignment and norms for spectrum surrender should be kept uniform and same as is in the case of access services.

SQ3. In case of auction based and/or administrative assignment of spectrum, what should the payment terms and associated conditions for the assignment of spectrum for Data Communication Services between Aircraft and ground Stations relating to:

- (i) **Upfront payment,**
 - (ii) **Moratorium period,**
 - (iii) **Total number of installments to recover deferred payments, and**
 - (iv) **Rate of discount in respect of deferred payment and prepayment?**
- Please support your answer with detailed justification.**

VII Comments to SQ. no. 3

1. TRAI, in its last recommendations i.e. on "Auction of Spectrum in frequency bands identified for IMT/5G" dated April 11, 2022 had recommended the following flexible payment options:
 - a. **Option I:** *Full or part upfront payment of the bid amount within 10 days of declaration of final price;
Where part upfront payment has been made, the buyer shall have the option of availing moratorium for the proportionate number of years for which the upfront payment has been made, and the balance amount shall be payable in equal annual instalments over the remaining period in advance at the beginning of the year, after the period of moratorium if any (duly protecting*



the net present value of the bid amount at the applicable rate of interest); the annual instalments shall become due and payable on the same date of each year.

- b. **Option II:** *Payment of 30 equal annual instalments of the bid amount (duly protecting the net present value of the bid amount at the applicable rate of interest) in advance at the beginning of the year, the first instalment becoming payable within 10 days of declaration of final price. The balance 29 instalments shall become due and payable on the same date of each following year.*

(The Authority noted that the recent reform package announced by the Government had, inter alia, increased the duration of assignment of spectrum from 20 years to 30 years.)

2. In the NIA dated June 15, 2022, DoT provided the following two options to successful Bidders to make the payment:

Option 1: *Full or part upfront payment of the bid amount within 10 days of declaration of final price. Where part upfront payment has been made, which can be a multiple of complete years with a minimum of two years, the buyer shall have the option of availing moratorium for the corresponding number of years for which the upfront payment has been made, and the balance amount shall be payable in equal annual instalments over the remaining period, payable in advance at the beginning of each year, after the period of moratorium if any, duly protecting the Net Present Value (NPV) of the bid amount at the applicable rate of interest. The annual instalments shall become due and payable on the Effective Date anniversary of each following year.*

Option 2: *Payment of 20 equal annual instalments of the bid amount, duly protecting the NPV of the bid amount at the applicable rate of interest, in advance at the beginning of the year, the first instalment becoming payable within 10 days of declaration of final price. The balance 19 instalments shall become due and payable on the Effective Date anniversary of each following year.*

(Option 2 considered 20 equal annual instalments as the validity period of right to use of the spectrum in 600 MHz, 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300 MHz and 26 GHz bands won in the auction shall be twenty (20) years from the 'Effective Date' as per NIA)



3. Therefore, payment options and terms and conditions as recommended by TRAI and provided under the latest NIA 2022, can be used for auction of spectrum across authorizations.

SQ4. Whether there are any other issues/ suggestions relevant to the subject? The same may be submitted with proper explanation and justification.

VIL Comments to SQ. no. 4

No comments.

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