



**Telecom Regulatory Authority of India**



## **Recommendations**

**on**

### **Licensing framework for Audio Conferencing/ Audiotex/ Voice Mail Services**

(Response to back reference dated 10<sup>th</sup> October 2019  
received from Department of Telecommunications on TRAI's  
recommendations dated 16.12.2016)

New Delhi

24.12.2019

Telecom Regulatory Authority of India  
Mahanagar Door Sanchar Bhawan  
Jawahar Lal Nehru Marg  
New Delhi – 110002

## **C o n t e n t s**

TRAI's RESPONSE TO THE REFERENCE OF DoT ..... 1

ANNEXURE: DOT'S REFERENCE DATED 10<sup>th</sup> October 2019

## **Chapter-I**

### **TRAI's RESPONSE TO THE REFERENCE OF DoT**

#### **A. Background**

1. The Department of Telecommunications (DoT) through a reference dated 19<sup>th</sup> January 2016 requested the Authority to give its recommendations for review of terms and conditions for issue of licences for Voice Mail/Audiotex/Unified Messaging Services (UMS). After a detailed consultation process, the Authority submitted its recommendations on “Licensing framework for Audio Conferencing/ Audiotex/ Voice Mail Services” on 16.12.2016.
2. DoT vide its letter no. 846-53/2015-CS-I(Pt) dated 10<sup>th</sup> October 2019 **(Annexure)**, has communicated that these recommendations have been considered and accepted by the Government except recommendation No.4 which reiterates TRAI’s earlier recommendations dated 6th January 2015 on “Definition of Revenue Base(AGR) for the Reckoning of Licence Fee and Spectrum Usage Charges”; which as per DoT is a separate recommendation, hence is to be dealt separately. DoT also communicated that to give effect to these recommendations some additional information is required in reference to TRAI’s recommendations dated 16.12.2016. Accordingly, DoT sought recommendations of the Authority on specific points related to Financial Bank Guarantee, Penal provisions and Telecom Engineering Centre (TEC) specifications in the licence as per clause 11(1) (a) of TRAI Act 1997 as amended by TRAI Amendment Act 2000.

#### **B. Response of the Authority to the points referred in the DoT reference**

3. As the points referred by DoT vide its reference dated 10<sup>th</sup> October 2019 were closely related to the issues on which recommendations were issued on 16.12.2016, the Authority decided not to go for fresh consultation. The specific points related to Financial Bank Guarantee, Penal provisions and

TEC specifications in the licence referred by DoT and the response of the Authority are given below:

## **1. FINANCIAL BANK GUARANTEE**

### **Issue raised by DoT**

The TRAI has stated in recommendation no.6 (iii) that: -

“The annual licence fee for existing standalone Voice Mail/Audiotex/UMS licensees who do not migrate to UL should be made equal to 8% of Adjusted Gross Revenue. The definition of AGR should be made similar to that for Access service authorization under UL”.

However, to ensure payment of AGR, a provision is required to be made for obtaining Financial Bank Guarantee (FBG) from the existing standalone Voice Mail/Audiotex/UMS licensees who do not migrate to UL. TRAI may give recommendation in this regard.

### **Response of TRAI**

The Authority is of the view that to ensure a level playing field between the existing standalone licensees who do not migrate to UL and those who migrate to UL; the Financial Bank Guarantee (FBG) should be equal for both. In its recommendation dated 16.12.2016, the Authority had recommended that for the existing Voicemail/Audiotex/UMS licensee who migrates to UL there should be a provision of FBG of Rs 0.010 Cr.

Hence, the Authority recommends that the initial FBG should be Rs 0.010 Cr. for the existing licensees who do not migrate to UL. However, 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.

## **2. PENAL PROVISION**

### **Issue raised by DoT**

Condition No. “10, Penalty, Suspension, Surrender, Termination/ Revocation of License” of the Unified License agreement provides that: -

*“10.1(i) The Licensor may impose a financial penalty not exceeding the amount shown in Annexure-VI for each service as per applicable service area per occasion for violation of terms and conditions of license agreement. This penalty is exclusive of Liquidated Damages, if any, as prescribed in this License Agreement”.*

The TRAI may give recommendation with regard to the ‘maximum amount of penalty per violation for each occasion in service area’ for inclusion of Annexure-VI in UL Agreement in respect of the proposed new chapter for authorisation titled “Audio Conferencing / Audiotex/Voice Mail services” for addition in the Unified License.

It is also observed that there is no such penal provision in the existing standalone Voice Mail/ Audiotex/UMS License agreement; hence TRAI may like to examine and give its recommendation in this regard as well.

### **Response of TRAI**

The Authority is of the view that the penal provision in the licence should be like other similarly placed licences in the UL. The penal provision should act as deterrent for violation of licence terms and conditions, while it should be reasonable and justifiable.

In view of the above, the Authority recommends that the maximum penalty per occasion should be equal to Rs 20 Lakhs, both for new as well as existing licensees.

## **3. TEC SPECIFICATIONS IN THE EXISTING LICENCE**

### **Issue raised by DoT**

Presently, conferencing is mentioned under ‘optional additional facilities’ in the existing Audiotex Service Requirement (SR) No.SR/ATS-01/02.

May 2003. TRAI has mentioned in recommendations that audio conferencing is the main service being provided under the existing Audiotex/Voicemail licenses and further that the existing licensees shall have the option to either migrate to UL or continue to operate under the existing Audiotex/Voicemail license.

The 'Technical Requirements' prepared by TEC do not cover 'conferencing'. Therefore, in case of removal of conferencing service from 'optional additional facilities' in the revised Audiotex SR which are to be released by TEC, the existing Audiotex/Voicemail licensees will not be able to provide audio-conferencing service.

One of the solutions to ensure that audio conferencing service could be provided by the existing licensees without any disruption may be to consider inclusion of 'audio conferencing service' explicitly in the scope of work of the existing Audiotex/Voicemail/UMS license agreement. The TEC has already issued Generic Requirements of Audio-conferencing service vide No. TEC/SR/SA/ACS-001/01/MAR-09. The recommendations of TRAI are solicited on this issue.

### **Response of TRAI**

TRAI has already recommended that 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. The Authority is of the view that the same TEC specifications should also be specified in the licence agreement of the existing licensees.

In view of the above, the Authority recommends that 'Audio conferencing service' should be explicitly mentioned in the scope of work of the existing licences and the latest version of TEC specifications on Audio Conferencing may be included.

**Annexure**

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

\*No. 846-53/2015-CS-I(Pt)

Dated: 10<sup>th</sup> Oct., 2019

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).

Sir,

The DoT vide letter No. 846-53/2015-CS dated 19.01.2016 sought recommendations of TRAI for review of terms and conditions for issue of licenses for Audiotex/ Voice Mail/ Unified Messaging Services (UMS). TRAI issued its recommendations on "Licensing framework for Audio Conferencing/ Audiotex/ Voice Mail Services" on dated 16.12.2016. These recommendations have been considered and accepted by the Government except recommendation no. 4 which reiterates TRAI's earlier recommendations dated 6<sup>th</sup> January 2015 on "Definition of Revenue Base (AGR) for the Reckoning of Licence Fee and Spectrum Usage Charges", which is a separate recommendation hence is to be dealt separately.

2. It has been noted that to give effect to these recommendations some additional information is required in reference to TRAI's earlier recommendations dated 16.12.2016.

3. Accordingly, recommendations of TRAI are solicited on the points mentioned in attached Annexure, as per clause 11(1)(a) of TRAI Act 1997 as amended by TRAI Amendment Act 2000.

4. It would be appreciated if TRAI can make available the requisite recommendations at the earliest.

Encl: As above

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

- (1) The TRAI has stated in recommendation no. 6 (iii) that:-

"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."

However, to ensure payment of AGR, a provision is required to be made for obtaining Financial Bank Guarantee (FBG) from the existing standalone Voice Mail/ Audiotex/ UMS licensees who do not migrate to UL. TRAI may give recommendation in this regard.

- (2) Condition No. "10. Penalty, Suspension, Surrender, Termination/ Revocation of License" of the Unified License agreement provides that:-

"10.1 (i) The Licensor may impose a financial penalty not exceeding the amount shown in Annexure-VI for each service as per applicable service area per occasion for violation of terms and conditions of license agreement. This penalty is exclusive of Liquidated Damages, if any, as prescribed in this License Agreement."

The TRAI may give recommendation with regard to the 'maximum amount of penalty per violation for each occasion in service area' for inclusion in Annexure-VI in UL Agreement in respect of the proposed new chapter for authorisation titled "Audio Conferencing/ Audiotex/ Voice Mail services" for addition in the Unified License.

It is also observed that there is no such penal provision in the existing standalone Voice Mail/ Audiotex/UMS license agreement; hence TRAI may like to examine and give its recommendation in this regard as well.

- (3) Presently, conferencing is mentioned under 'optional additional facilities' in the existing Audiotex Service Requirement (SR) No. SR/ATS-01/02. MAY 2003. TRAI has mentioned in recommendations that audio conferencing is the main service being provided under the existing Audiotex/ Voicemail licenses and further that the existing licensees shall have the option to either migrate to UL or continue to operate under the existing Audiotex/Voicemail license.

The 'Technical Requirements' prepared by TEC do not cover 'conferencing'. Therefore, in case of removal of conferencing service from 'optional additional facilities' in the revised Audiotex SR which are to be released by TEC, the existing Audiotex/Voicemail licensees will not be able to provide audio-conferencing service.

One of the solutions to ensure that audio conferencing service could be provided by the existing licensees without any disruption may be to consider

inclusion of 'audio conferencing service' explicitly in the scope of work of the existing Audiotex/ Voicemail/UMS license agreement. The TEC has already issued Generic Requirements of Audio conferencing service vide No. TEC/SR/SA/ACS-001/01/MAR-09. The recommendations of TRAI are solicited on this issue.

\*\*\*\*\*