

HCIPL/TRAI/CP 7/2024/0108

01<sup>st</sup> Aug 2024

**Advisor – NSL-II**  
**Telecom Regulatory Authority of India**  
**4<sup>th</sup> – 7<sup>th</sup> Floor, Tower-F**  
**World Trade Center, Nauroji Nagar**  
**New Delhi – 110029**

Dear Sir,

**Sub : Submission of responses to TRAI Consultation Paper on the Framework for Service Authorisations to be Granted Under the Telecommunications Act, 2023**

Ref : TRAI Consultation Paper - CP 7/2024, Dated 11-Jul-2024.

This is with reference to the consultation paper CP 7/2024, Dated 11-Jul-2024 floated by TRAI. In this regard, please find enclosed our responses.

Thanking You,

**Yours Faithfully**

**For Hughes Communication India Private Limited**

**Authorized Signatory**

**Q1. For the purpose of granting authorisations under Section 3(1) of the Telecommunications Act, 2023, whether the Central Government should issue an authorisation to the applicant entity, as is the international practice in several countries, in place of the extant practice of the Central Government entering into a license agreement with the applicant entity ?**

**In such a case, whether any safeguards are required to protect the reasonable interests of authorized entities? Kindly provide a detailed response with justifications.**

**Hughes Response:**

Issuing an authorization in place of License subjected it simplifies the process and helps in significantly reducing the time taken for obtaining such Authorizations.

The government simplified the licensing regime in August 2013 by introducing Unified Licenses (UL). This new regime allows a single Unified License to be issued to eligible applicants, with service-specific authorisations.

The Unified License has following two parts:

Part-I:

General conditions

Financial conditions and tariffs

Technical conditions

Operating conditions

Security conditions

Spectrum allotment and the right to use

Part II:

Scope of the service

Service area

Financial conditions

Technical and network interconnection

Operating and rollout conditions

Security conditions

Reporting formats

These service-specific conditions are only relevant to the respective service and require the applicant to sign them as separate authorisations.

We suggest that the general conditions from UL – Part I should be incorporated into the rules of the Telecommunications Act, 2023. This will ensure that all service providers adhere to these rules.

The service-specific conditions from UL – Part II should remain as separate service authorisations. It is beneficial for applicants to sign off on these specific service authorisations to confirm their acceptance of the terms and conditions applicable to them.

**Q2. Whether it will be appropriate to grant authorisations under Section 3(1) of the Telecommunications Act, 2023 in the form of an authorisation document containing the essential aspects of the authorisation, such as service area, period of validity, scope of service, list of applicable rules, authorisation fee etc., and the terms and conditions to be included in the form of rules to be made under the Telecommunications Act, 2023 with suitable safeguards to protect the reasonable interests of the authorised entities in case of any amendment in the rules? Kindly provide a detailed response with justifications.**

**Hughes Response:**

We suggest that the general conditions from UL – Part I should be incorporated into the rules of the Telecommunications Act, 2023. This will ensure that all service providers adhere to these rules.

The service-specific conditions from UL – Part II should remain as separate service authorisations. It is beneficial for applicants to sign off on these specific service authorisations to confirm their acceptance of the terms and conditions applicable to them.

Issuing an authorization in place of License subjected it simplifies the process and helps in significantly reducing the time taken for obtaining such Authorizations.

**Q3. In case it is decided to implement the authorisation structure as proposed in the Q2 above**

**(a) Which essential aspects of authorisation should be included in authorisation documents?**

**Hughes Response:**

The service-specific conditions from UL – Part II should remain as separate service authorisations. It is beneficial for applicants to sign off on these specific service authorisations to confirm their acceptance of the terms and conditions applicable to them. Such as Scope of Services, Security Conditions, Financial Conditions, Period of Validity.

**(b) What should be the broad category of rules, under which, terms and conditions of various authorisations could be prescribed ?**

**(c) Whether it would be appropriate to incorporate the information currently provided through the extant Guidelines for Grant of Unified License and Unified License for VNO, which included, inter-alia, the information on the application process for the license, eligibility conditions for obtaining the license, conditions for transfer/ Merger of the license etc., in the General Rules under the Telecommunications Act, 2023?**

**Hughes Response:**

The service-specific conditions from UL-VNO – Part II should remain as separate service authorisations. It is beneficial for applicants to sign off on these specific service authorisations to confirm their acceptance of the terms and conditions applicable to them. Such as Scope of Services, Security Conditions, Financial Conditions, Period of Validity.

**(d) What could be the broad topics for which the conditions may be required to be prescribed in the form of guidelines under the respective rules ?**

**Kindly provide a detailed response with justifications.**

**Q4. In view of the provisions of the Telecommunications Act, 2023, what safeguards are required to be put in place to ensure the long-term regulatory stability and business continuity of the service providers, while at the same time making the authorisations and associated rules a live document dynamically aligned with the contemporary developments from time to time? Kindly provide a detailed response with justifications.**

**Hughes Response:**

Following steps can further be taken for long term regulatory stability:

1. As the Satellite Connectivity is meant for connecting the remotest areas (un-connected & under connected), hence the USOF levy of 5% of AGR should be waived off for VSAT Service operators.
2. Removal of Entry Fee in case of renewal of service authorization.
3. SUC should be reduced from 4% to 1% of AGR.
4. SUC mechanism under NLD Authorisation should be changed from existing Formula based to AGR based.
5. De-licensing of VSAT Terminals w.r.t the 1933 Wireless Act:

VSAT Terminals predominantly communicate only with a central hub or a gateway. The licensor exercises significant regulatory control over the licensees and can ensure compliance to the various regulations by alternate means. As satellite communication

continues to evolve and large-scale deployments are likely to happen, dealing and possession of VSAT Terminals should be exempted from the Wireless Act. This will facilitate the availability/distribution of such terminals through many distribution channels including e-commerce platforms, without holding any Dealers Possession License – DPL. This will not only spur growth but will also bring in a healthy competition that would be favourable to consumer interests.

**Q5. In addition to the service-specific authorisations at service area level, whether there is a need for introducing a unified service authorisation at National level for the provision of end-to-end telecommunication services with pan-India service area under the Telecommunications Act, 2023? Kindly justify your response.**

**Hughes Response:**

We suggest that the current service-specific authorizations should be followed. Under current UL-regime the authorisations are issued service area wise based on the requirement of the applicant (Service Provider). The Satellite-based services has to be at the national level only, as it is today. Satellite/VSAT is predominantly used for connecting the un-connected and extremely remote areas of the country whether it is a USOF Cell Backhaul, remote unconnected villages, schools etc. and has a very niche/specific market. Hence, based on the use cases for satellite and for commercial viability of the service providers (licensees) only a national level license construct is feasible. Another point to note is that the circle level / area level authorisations are more apt for services which are B2C or which are likely to have a mass adoption and not for services which are adopted for a specific purpose.

Under the current UL-regime, Commercial CUG VSAT and NLD Authorization are National Level authorisations and we would strongly recommend the status quo is maintained.

**Q7. Within the scope of Internet Service authorisation under the Telecommunications Act, 2023, whether there is a need for including the provision of leased circuits/ Virtual Private Networks within its service area? Kindly provide a detailed response with justifications.**

**Hughes Response:**

We suggest that the provision of leased circuits/ Virtual Private Networks should be included in Internet Service Authorisation. The said scope is currently allowed under NLD License. This will widen the scope of ISP license and will be beneficial for small Service Providers. This will increase competition and benefit consumers by offering more options and potentially better services.

**Q8. In case it is decided to enhance the scope of Internet Service authorisation as indicated in the Q7 above, -  
(a) What should be terms and conditions (technical, operational, security related, etc.) that should be made applicable on Internet Service authorisation?**

**(b) Any other suggestion to protect the reasonable interests of other authorised entities upon such an enhancement in the scope of service.**

**Kindly provide a detailed response with justifications.**

**Hughes Response:**

Further, we suggest that a licensee after obtaining the VSAT authorization should be able to provide internet to its customers without having the need to obtain an ISP authorization. This will simplify the service authorization framework, place the authorization holders on an even footing, and align with international practices for VSAT services. The end user shall have a choice to access Internet service through any medium.

**Q11. Whether there is need for merging the scopes of the extant GMPCS authorization and Commercial VSAT CUG Service authorization into a single authorisation namely Satellite-based Telecommunication Service authorisation under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.**

**Hughes Response:**

The brief scope of both licenses:

The scope of GMPCS and Commercial CUG VSAT Authorizations are entirely different and hence it does not seem practically feasible to merge both licenses. Therefore, we strongly oppose the suggestion of merging of GMPCS and VSAT into a single authorization – Satellite-based telecommunications authorization.

Our suggestion is to amend the scope of the authorizations in a way that GMPCS addresses Personal Mobile communications (as the license name suggests and which needs more stringent security checks and monitoring) and VSAT addresses FSS, Cell Backhaul, ESIMS, M2M/IOT , Enterprise Mobility (as per the current VSAT-CUG Land Mobility guidelines and IFMC guidelines) and Enterprise broadband. With this the scope of VSAT license will be defined unequivocally and the CUG condition associated with VSAT becomes no longer relevant.

Also, the services provided under the VSAT authorization should be categorized as public / non-captive services. These recommendations, if applied, will ensure that there is alignment with international practices and would also eliminate the need for possible duplicate authorizations that satellite service providers may need to pursue today.

We suggest that a licensee after obtaining the VSAT authorization should be able to provide internet to its customers without needing to obtain an ISP authorization. This will simplify the service authorization framework, place the authorization holders on an even footing, and align with international practices for VSAT services.

We also recommend the removal of compliance requirements that have been set out for Internet Leased Lines (ILL) which are also applicable for VSAT authorization also. Today the license mandates compliance requirements such as routine inspection of customer sites for the ILL service and the compliance requirements uniformly applies to VSATs providing internet

also. Internet under VSAT authorization is provided from a central VSAT Hub connected to an internet node with services being provided to business users (B2B segment). Thus, the terms and conditions related to the provision of ILL to internet service provided through VSAT prejudice its deployment and hinder its ability to compete with fiber and mobile broadband and to bridge the digital divide mission of Govt. of India. As such, we suggest this parallel between ILL & VSAT should be removed. Instead, a self-certification mechanism may kindly be considered. This will reduce the operational burden for both consumers and VSAT service providers.

**Q12. In case it is decided to merge the scopes of the extant GMPCS authorization and Commercial VSAT CUG Service authorization into a single authorisation namely Satellite-based Telecommunication Service authorisation under the Telecommunications Act, 2023, -**

**(a) What should be the scope of service under the proposed Satellite-based Telecommunication Service authorisation?**

**(b) What should be terms and conditions (technical, operational, security related, etc.) that should be made applicable on the proposed Satellite-based Telecommunication Service authorisation?**

**(c) Any other suggestion to protect the reasonable interests of other authorised entities upon the introduction of such an authorisation?  
Kindly provide a detailed response with justifications.**

**Hughes Response:**

The brief scope of both licenses:

The scope of GMPCS and Commercial CUG VSAT Authorizations are entirely different and hence it does not seem practically feasible to merge both licenses. Therefore, we strongly oppose the suggestion of merging of GMPCS and VSAT into a single authorization – Satellite-based telecommunications authorization.

Our suggestion is to amend the scope of the authorizations in a way that GMPCS addresses Personal Mobile communications (as the license name suggests and which needs more stringent security checks and monitoring) and VSAT addresses FSS, Cell Backhaul, ESIMS, M2M/IOT , Enterprise Mobility (as per the current VSAT-CUG Land Mobility guidelines and IFMC guidelines) and Enterprise broadband. With this the scope of VSAT license will be defined unequivocally and the CUG condition associated with VSAT becomes no longer relevant.

Also, the services provided under the VSAT authorization should be categorized as public / non-captive services. These recommendations, if applied, will ensure that there is alignment with international practices and would also eliminate the need for possible duplicate authorizations that satellite service providers may need to pursue today.

We suggest that a licensee after obtaining the VSAT authorization should be able to provide internet to its customers without needing to obtain an ISP authorization. This will simplify the service authorization framework, place the authorization holders on an even footing, and align with international practices for VSAT services.

We also recommend the removal of compliance requirements that have been set out for Internet Leased Lines (ILL) which are also applicable for VSAT authorization also. Today the license mandates compliance requirements such as routine inspection of customer sites for the ILL service and the compliance requirements uniformly applies to VSATs providing internet also. Internet under VSAT authorization is provided from a central VSAT Hub connected to an internet node with services being provided to business users (B2B segment).

Thus, the terms and conditions related to the provision of ILL to internet service provided through VSAT prejudice its deployment and hinder its ability to compete with fiber and mobile broadband and to bridge the digital divide mission of Govt. of India. As such, we suggest this parallel between ILL & VSAT should be removed. Instead, a self-certification mechanism may kindly be considered. This will reduce the operational burden for both consumers and VSAT service providers.

**Q19. In view of the provisions of the Telecommunications Act, 2023 and technological/ market developments, -**

**(a) What changes (additions, deletions, and modifications) are required to be incorporated in the respective scopes of service for each service authorisation with respect to the corresponding authorizations under the extant Unified License for VNO?**

**Hughes Response:**

1. Our suggestion is that regional/local ISPs who hold UL-VNO Internet Services authorization should be able to re-sell services obtained from VSAT authorization holders under the UL. This will facilitate VSAT service providers to provide services to small ISPs who already hold a UL-VNO Internet Services authorization (and will eliminate the need for small UL-VNO Internet Service authorization holders to apply for the UL-VNO VSAT authorization separately)
2. Inclusion of following missing clauses in VNO-Commercial CUG-VSAT Authorization which are already allowed under Commercial CUG VSAT Authorization
  - a) VSAT terminal may also be used to aggregate the traffic from M2M/ IoT devices/aggregator devices
  - b) VSAT licensee may use VSAT to provide backhaul connectivity to service providers having license/ Authorization/ Registration for M2M services.
  - c) User terminal stations on moving platforms are also permitted for provisioning of connectivity subject to compliance to relevant TEC standard(s) and conditions mentioned therein.

**(b) What changes (additions, deletions, and modifications) are required to be incorporated in the terms and conditions (General, Technical, Operational, Security, etc.) associated with each service authorisation with respect to the corresponding authorizations under the extant Unified License for VNO?**

**Kindly provide a detailed response with justifications.**



**Q21. Considering that there are certain overlaps in the set of services under various authorisations, would it be appropriate to permit service-specific parenting of VNOs with Network Service Operators (NSOs) in place of the extant authorisation-specific parenting? Kindly provide a detailed response with justifications.**

**Hughes Response:**

1. We suggest that in addition to the current extant authorisation-specific parenting, service specific parenting of VNO's with NSO's should also be allowed. Further to elaborate, regional/local ISPs who hold UL-VNO Internet Services authorization should be able to re-sell services obtained from VSAT authorization holders under the UL. This will facilitate VSAT service providers to provide services to small ISPs who already hold a UL-VNO Internet Services authorization (and will eliminate the need for small UL-VNO Internet Service authorization holders to apply for the UL-VNO VSAT authorization separately).

**Q22. In view of the provisions of the Telecommunications Act, 2023 and technological/ market developments, -**

**(a) What changes (additions, deletions, and modifications) are required to be incorporated in the respective scopes of service for each service authorisation with respect to the corresponding extant standalone licenses/ authorizations/ registrations/ NOC etc.?**

**(b) What changes (additions, deletions, and modifications) are required to be incorporated in the terms and conditions (General, Technical, Operational, Security, etc.) associated with each service authorisation with respect to the corresponding extant standalone licenses/ authorizations/ registrations/ NOC etc.?**

**Kindly provide a detailed response with justifications.**

**Hughes Response:**

1. Our suggestion is that regional/local ISPs who hold UL-VNO Internet Services authorization should be able to re-sell services obtained from VSAT authorization holders under the UL. This will facilitate VSAT service providers to provide services to small ISPs who already hold a UL-VNO Internet Services authorization (and will eliminate the need for small UL-VNO Internet Service authorization holders to apply for the UL-VNO VSAT authorization separately)
2. Inclusion of following missing clauses in VNO-Commercial CUG-VSAT Authorization which are already allowed under Commercial CUG VSAT Authorization
  - a) VSAT terminal may also be used to aggregate the traffic from M2M/ IoT devices/aggregator devices
  - b) VSAT licensee may use VSAT to provide backhaul connectivity to service providers having license/ Authorization/ Registration for M2M services.

- c) User terminal stations on moving platforms are also permitted for provisioning of connectivity subject to compliance to relevant TEC standard(s) and conditions mentioned therein.

**Q23. In view of the provisions of the Telecommunications Act, 2023 and market developments, whether there is a need to make some changes in the respective scopes and terms and conditions associated with the following service authorisations, recently recommended by TRAI:**

- (a) Digital Connectivity Infrastructure Provider (DCIP) Authorization (under Unified License)**
- (b) IXP Authorization (under Unified License)**
- (c) Content Delivery Network (CDN) Registration**
- (d) Satellite Earth Station Gateway (SESG) License**

**If yes, kindly provide a detailed response with justifications in respect of each of the above authorisations.**

**Hughes Response:**

The above recommendations of TRAI should be implemented as they will open new business opportunities within the respective domains like SESG for SATCOM.

**Q25. Whether there is a need for introducing any changes in the authorisation framework to improve the ease of doing business? If yes, kindly provide a detailed response with justifications.**

**Hughes Response:**

Following steps can further be taken for long term regulatory stability:

1. As the Satellite Connectivity is meant for connecting the remotest areas (un-connected & under connected), hence the USOF levy of 5% of AGR should be waived off for VSAT Service operators.
2. Removal of Entry Fee in case of renewal of service authorization.
3. SUC should be reduced from 4% to 1% of AGR.
4. SUC mechanism under NLD Authorisation should be changed from existing Formula based to AGR based.
5. De-licensing of VSAT Terminals w.r.t the 1933 Wireless Act:

VSAT Terminals predominantly communicate only with a central hub or a gateway. The licensor exercises significant regulatory control over the licensees and can ensure compliance to the various regulations by alternate means. As satellite communication continues to evolve and large-scale deployments are likely to happen, dealing and possession of VSAT Terminals should be exempted from the

Wireless Act. This will facilitate the availability/distribution of such terminals through many distribution channels including e-commerce platforms, without holding any Dealers Possession License – DPL. This will not only spur growth but will also bring in a healthy competition that would be favourable to consumer interests.

6. Methodology for Assignment & Sharing of Satellite Spectrum:

The frequency assignment is done by WPC against a particular Authorization through a Decision Letter on a carrier-by-carrier basis. This process limits the dynamic use of frequency by modern systems, reduces the spectral efficiencies and leads to delays in the deployment of services. Hence, we suggest the satellite spectrum should be assigned as a block of frequencies and satcom service provider should be given flexibility of using this dynamically across user terminals (Fixed VSAT's, moving platforms).

**Q29. What amendments are required to be incorporated in the terms and conditions of authorisations for providing telecommunications services using satellite-based resources in light of the policy/ Act in the Space Sector?**

**Kindly provide a detailed response with justifications.**

**Hughes Response:**

Expand Connectivity Beyond Indian Borders:

As envisaged in the New Indian Space Policy - 2023 the Non-Governmental Entities (NGE's) have been allowed to provide international space based communication services from India. In view of above, Indian Satcom Service Providers can provide connectivity beyond Indian borders as per the prevailing International/foreign country specific regulatory guidelines. This will enable Indian VSAT Service Providers to extend VSAT CUG services from an Indian Gateway to the Neighbouring South Asian countries.

Hence, geographical restrictions should be suitably amended from Commercial VSAT Authorization.

**Q30. Whether the provisions of any other Policy/ Act in the related sectors need to be considered while framing terms and conditions for the new authorisation regime? If yes, kindly provide a detailed response with justification.**

**Hughes Response:**

Expand Connectivity Beyond Indian Borders:

As envisaged in the New Indian Space Policy - 2023 the Non-Governmental Entities (NGE's) have been allowed to provide international space based communication services from India. In view of above, Indian Satcom Service Providers can provide connectivity beyond Indian borders as per the prevailing International/foreign country specific regulatory guidelines. This

will enable Indian VSAT Service Providers to extend VSAT CUG services from an Indian Gateway to the Neighbouring South Asian countries.  
Hence, geographical restrictions should be suitably amended from Commercial VSAT Authorization.

**Q31. What conditions should be made applicable for the migration of the existing licensees to the new authorisation regime under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.**

**Hughes Response:**

Our view is that there should not be any additional financial burden in case of migration of the existing licensees to the new authorisation regime.

- Process should be simplified and time-bound.
- Minimal documentation to be required.
- Validity to remain 20 Yrs.

**Q50. In the interest of ease of doing business, is there a need to replace the Affidavit to be submitted with quarterly payment of license fee and spectrum usage charges with a Self-Certificate (with similar content)? Please justify your response.**

**Hughes Response:**

We suggest that the affidavit should be replaced by Self-Certificate in interest of ease of doing business.

**Q51. Is there a need to revise/ modify/simplify any of the existing formats of Statement of Revenue Share and License Fee for each license/authorisation (as detailed at Annexure 3.2)? In case the answer to the question is yes, please provide the list of items to be included or to be deleted from the formats alongwith detailed justification for the inclusion/deletion.**

**Hughes Response:**

Under Accounting Separation Report (ASR), Proforma H on Related Party and Proforma J on Non-Financial information should be abolished.

**Q57. Whether there is a need to review/ simplify the norms for the preparation of annual financial statements (that is, the statements of Revenue and License Fee) of the various service authorizations under UL, UL(VNO) and MNP licenses? Please give detailed response with proper justification for each authorization/license separately.**

**Hughes Response:**

Financials as per Schedule III of Companies Act has a prescribed format for P&L, the same P&L Line Items should be used in Proforma A & Proforma B of ASR

**Q58. In case of migration, how the entry fee already paid by the company be calculated/ prescribed for the relevant authorisation(s)? Please provide detailed justification in support of your response.**

**Hughes Response:**

In case of migration from existing Unified License regime to the new Authorisations regime, we suggest that the offset should be provided in Entry Fee for the remaining validity period already paid under UL.