



# Comments: TRAI Consultation Paper

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*Consultation Paper No. 12/2016 on Review of VoiceMail / Audiotex / Unified Messaging Services License*

**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?**

**Comment:**

Please refer TRAI Recommendations on Application Services dtd. 12<sup>th</sup> May, 2012 (<http://www.trai.gov.in/writereaddata/recommendation/documents/as140512.pdf>, Reference 1). The recommendations cover, to a significant extent, the query raised by DDG (CS) in para 3 of Annexure I to the consultation paper, which is “*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....*”.

Applications Services defined by the Authority under Para 1.20, pg 15 of aforementioned Reference 1 is: “*Applications services are enhanced services, in the nature of non-core services, which either add value to the basic tele services or can be provided as standalone application services through telecom network. The basic services are standard voice calls, voice/non-voice messages, fax transmission and data transmission*”. This definition suitably covers all the aspects of new user applications and service delivery scenarios without restrictions or clubbing of use cases.

**Therefore the Respondent suggests that there should not be a different license for providing VoiceMail / Audiotex / (or) Unified Messaging Services. Each of these services should be licensed, if required, through a single category of Application Services Provider.**

The above response also holds for similar questions below pertaining to VoiceMail / Audiotex / (and/or) Unified Messaging Services.

**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?**

**Comment:**

Not applicable, since the Respondent’s suggestion is not in the affirmative.

**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?**

**Comment:**

Please refer the Respondent's answer to Q1 above.

**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?**

**Comment:**

Not applicable, since the Respondent's suggestion is not in the affirmative.

**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?**

**Comment:**

Given the aforementioned definition of application services recommended by the TRAI in its paper at Reference 1, Audio-Conferencing Services should also qualify as a form of Application Services. Therefore no standalone license for providing Audio Conferencing services should be required. For **Audio Conferencing TEC Specification (TEC/SR/SA/ACS-001/01/MAR-09)** is already in place and that should be used as guideline for authorizing any Application Services that uses conferencing as a use case.

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

**Comment:**

Not applicable, since the Respondent's suggestion is not in the affirmative.

**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?**

**Comment:**

Please refer the Respondent's answer to Q1 above.

**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?**

**Comment:**

Not applicable, since the Respondent's suggestion is not in the affirmative.

**Q9. In case Voice Mail/Auditex/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?**

**Comment:**

Yes, they should be made a part of services requiring Licensing through Authorization. For this justification, the under-signed refers to:

1. Sr. 2.21, pg 34 of the paper at Reference 1 refers to TRAI's recommendation on Spectrum Management and Licensing Framework dtd. 11<sup>th</sup> May 2010 (<http://www.trai.gov.in/writereaddata/recommendation/documents/finalrecommendations.pdf>, Reference 2). **This Reference 2 recommends introduction of Licensing through Authorization in respect of Voice Mail / Auditotex / VoiceMail Services.**
2. Sr. 2.22, pg 34 of the recommendations at Reference 1 refers to TRAI's recommendations on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' on 16<sup>th</sup> April, 2012 (<http://traigov.in/WriteReadData/WhatsNew/Documents/Recommendation--041612.pdf>, Reference 3A and <http://www.trai.gov.in/WriteReadData/Recommendation/Documents/TRAI%20response%20on%20Unified%20Licence.pdf>, Reference 3B), wherein the Authority recommended that Licensing through Authorization and guidelines for the same.

Specifically, please refer **Pages 86 through 92 of Reference 3B (TRAI's response to DoT suggestions on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd 12th May, 2012)**, where the Authority recommends the definition of Value Added Services or Application Services as *"Value added services are enhanced services, in the nature of noncore services, which either add value to the basic tele services or can be provided as standalone application services through telecommunication network, the basic services being standard voice calls, voice/non-voice messages, fax transmission and data transmission."* The Authority further goes on to recommend details of and clarification on Licensing through Authorization for such services.

3. Sr. 2.23, pg 34 of the recommendations at Reference 1 gives adequate justification and re-strengthening of cause for Licensing by Authorization by mentioning that *"bringing them (ASPs) under a simply licensing scheme, (it) will be desirable that only serious players enter the industry and also meet the requirements of security monitoring by government agents."*

**Therefore the Respondent suggests that Application Providers should be permitted to operate using Licensing through Authorization.** This will bring in greater uniformity in the regulations and transparency in the framework governing such businesses and at the same time build an environment of innovation and entrepreneurship in the country from serious players.

**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?**

**Comment:**

For all purposes, the Application Service Provider is working on providing Applications on top of the infrastructure provided by Telecom Service Providers. Therefore there should not be any limitation of Service Area to the Application Service Provider.

**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?**

**Comment:**

The Respondent is of the view that Policy of Licensing through Authorization with Guidelines as mentioned from pages 86 through 92 of Reference 3B (TRAI's response to DoT suggestions on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd 12<sup>th</sup> May, 2012) should be followed.

**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?**

**Comment:**

Please refer response to Q11. Since the Recommendations for Licensing through Authorization does not mention any Minimum Net Worth / Minimum Equity requirement, the recommendations should be followed and need for the same should not arise.

**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?**

**Comment:**

Please refer response to Q11. Recommendations on Licensing through Authorization from the Authority in earlier papers, specifically Guidelines on Unified Licensing suggest Annual License Fees of Rs. 10,000. Since the Authority mentions specific license fees, which it sees as adequate, there should be no reason to provide additional burden to the licensee of AGR based annual license fees.

**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?**

**Comment:**

Not applicable.

**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?**

**Comment:**

Please refer response to Q11. Since the Recommendations for Licensing through Authorisation does not mention any PBG / FBG requirement, the recommendations should be followed and need for the same should not be kept.

**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?**

**Comment:**

The term of license should be retained at the same level as other license authorizations under Unified License. However, all guidelines as recommended for Licensing under Authorisations must be retained.

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

The same principles as recommended per Reference 3A (TRAI's recommendations on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd 16th April, 2012), should be made applicable while migrating licenses.

**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?**

**Comment:**

The same principles as recommended per Reference 3A (TRAI's recommendations on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd 16th April, 2012), should be made applicable while issuing migration directives for licenses. Existing Voice Mail / Audiotex / Unified Messaging Services licensees should not be any worse-off while migrating to the Unified Licensing regime. The entry barriers are not significantly high and therefore serious players will not have a difficulty while accepting the terms of Licensing through Authorization.

**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?**

Reference 3A (TRAI's recommendations on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd 16th April, 2012) and Reference 3B (TRAI's response to DoT suggestions on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd 12th May, 2012), have already recommended Annual License fees of Rs. 10,000 for Licensing through Authorization. The same should be maintained. These are adequately listed in the comments to Q11 of this consultation paper.

**Q20. Please give your comments on any related matter, not covered above.**

**Comment:**

**Application Service Providers Should Have Equitable Operations with OSP:** Sr. 2.14, pg 30 of the Reference 1 recommendations of the Authority under also mention that OSP, "... 'Other Service Provider' means a company providing Application Services. Application Services have been defined to mean services like tele-banking, tele-medicine, tel-education, tele-trading, e-commerce, call center, network operation center and other IT Enabled Services, by using telecom resources provided by authorized telecom service providers:" ..... however the paper goes on to recommend that "this registration process may not entitle them (Application Service Providers) of benefits available under licensing through section 4 of the Indian Telegraph Act, 1885".

The Respondent is of the opinion that at the empirical level, **Application Services in most, if not all instances automate the manpower-based activity provided through OSPs.** For example, OSPs are not disallowed from receiving an inbound call, getting basic information and conferencing a different or more skilled representative (both over the PSTN line). Many application models today are built on automating this process by doing the same activity through an Audiotex (or Application Service), just with machines replacing human intervention and there-upon escalating calls to a human agent after first level interaction at the automated level. An interpretation of

Clause 30.6 of the Audiotex can possibly restrict an Audiotex provider from making such an application. This interpretation is restrictive towards the growth of Application Services.

Therefore, while finalizing regulations the Authority, it is requested that the Authority should consider that regulation does not limit Application Service Providers in their scope of using telecom resources provided by telecom Access Providers. These applications are for the benefit of creating more innovative platforms, services and use-cases, while being in adherence to laws. Licensing should be used as a principle of controlling entry of only serious players in the market. This should be done without keeping extremely high entry barriers or strong restrictions, which can lead to an oligopolistic market.

**Concern on Clause 30.6 of Audiotex License Agreement:** Clause 30.6 of Audiotex licensing agreement mentions, *“point-to-point conferencing and calling card facility shall not be provided by Voicemail/Audiotex licensee”*. The Respondent humbly submits that clause “point-to-point conferencing” and clause 30.6 including not providing Calling Card services should be removed from Audiotex licensing and/or prevented from being in any future licensing guideline. Further a clear definition of Calling Card Services needs to be given. Justifications for this are as under:

1. **Conferencing Differs from Switching:** TEC guidelines for Audiotex and Audio Conference (TEC/SR/SA/ACS-001/01/MAR-09) clearly define conferencing as *“inter-connection **between two or more** audio-conference terminals”*.
2. **Switching:** Per telecom definitions, *“a switch is a device that channels incoming data from any of multiple input ports to the specific output port that will take the data (or voice) toward its intended destination”*. Switching, therefore, is when a system receives a call request and passes the CLI (Caller Line Identification) of the originating party to the receiving party by maintaining a single CDR (Call Detail Record) for the entire call leg.

In many Audiotex (Application) Services; a call is made or received by an Audiotex (Application) Services Provider, post business treatment of the call, another call is made by the Audiotex (Application) Service provider and both calls are conferenced. In this CDRs of each party in the call are kept in tact, both with the Access Services Providers and the Audiotex (Application) Services Provider. Also the CLI in each case is the CLI of the party originating each call, and not manipulated either. This Service further uses access from Access Services Provider for each call adding a third party as a part of a conference call. **This is clearly defined by TEC as an Advanced Conferencing**

**Scenario at Sr. 5.2.1 in Audio Conference specification (TEC/SR/SA/ACS-001/01/MAR-09).** Audio Conferencing is a service under the scope of Audiotex licensing and hence clause 30.6 of the Audiotex licensing agreement does not hold to reason.

3. In line with Sr. 1 and 2 above, the Respondent humbly suggests that as long as each party is accessing the Audiotex (or Conferencing or Application) Service through a licensed Access Service provider, and the Application Provider maintains all security guidelines as given by the Authority from time to time, there should not be any limitation on the number of parties involved in the conference. Further, in none of the other countries as quoted in this consultation paper could the Respondent find any such limitation similar to Sr. 30.6 in the Audiotex license.
4. **Toll-by-pass argument under UL guidelines:** There is no toll-by-pass of any legitimate operator at any stage. Even if an Audiotex (or Application) Services Provider is on one call and makes another outgoing call and conferences the two as an Advanced Conferencing Scenario, the Services Provider is using infrastructure of two Access Service Providers available in the market and two calls. Therefore, there is no toll-by-pass at any stage. Such an argument is regressive and also anti-competitive; given by large telecom operators to hold monopoly on the users. Various recommendations on consultation papers by the Authority have continuously promoted competition.

**The Respondent requests that the Authority clarify and maintain difference between Basic or Access Services / Switching (which is capability provided to Access Providers only) and Conferencing (which can be provided by Application Service Providers without limitation).**

**Singapore Model of SBO as an Example for Licensing through Authorization and Liberalization:** The SBO (Service Based Operator) Guidelines of Singapore (<https://www.ida.gov.sg/Policies-and-Regulations/Industry-and-Licensees/Licensing/Framework-and-Guidelines/Services-Based-Operator-Licence>, Reference 4) are well liberalized and articulately differentiate between Telecom Provider and Application Providers. SBOs as defined are “*operators intending to lease telecommunication network elements such as transmission capacity, switching services, ducts and fibre from any FBO (Facilities Based Operator) licensed by IDA to provide telecommunication services to third parties or resell the telecommunication services of FBO*”. These guidelines have helped develop greater innovation and entrepreneurship in telecom sector in Singapore. Calling Card Providers are also qualified as SBOs in Singapore. While finalizing on Licensing through Authorization

the Authority would do a supporting act to liberalization and competitiveness in the Indian market by adopting best practices of SBO framework of Singapore.

The respondent has also not been able to find any restrictive clauses towards limitation of parties in a conference in other developed countries such as Hong Kong, Taiwan, United Kingdom, Canada and United States.

**Recommendation for Implied Authorization:** An addition of term for implied approval in case not received in 30 days for Licensing through Authorization will further benefit the entrepreneurial eco-system.

Sir, the world is moving, and India is leading, towards creating a more liberalized and competitive economy. The Authority would do great service to innovation, entrepreneurship and greater growth by making easier licensing for application platforms and making it easier for entrants to enter (or exit, sic) business and provide a difference between Basic and Value-Added or Application Services.

Yours truly,  
Ujwal Makhija  
Managing Director  
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## About the Respondent

The Respondent has been running a telecom software business for about the last ten years; is the Managing Director of Phonon Communications Pvt. Ltd. that has recently received the VoiceMail / Audiotex License. He is an alumnus of IIM Calcutta and an Electronics Engineer with specialization in Telecommunication.

## References

1. **Reference 1:** TRAI Recommendations on Application Services dtd. 12<sup>th</sup> May, 2012  
(<http://www.trai.gov.in/writereaddata/recommendation/documents/as140512.pdf>)
2. **Reference 2:** TRAI's recommendation on Spectrum Management and Licensing Framework dtd. 11<sup>th</sup> May 2010  
(<http://www.trai.gov.in/writereaddata/recommendation/documents/finalrecommendations.pdf>).
3. **Reference 3A:** TRAI's recommendations on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' on 16<sup>th</sup> April, 2012

<http://traf.gov.in/WriteReadData/WhatsNew/Documents/Recommendation--041612.pdf>

4. **Reference 3B:** TRAI's response to DoT suggestions on 'Guidelines for Unified License / Class Licenses and Migration of Existing Licenses' dtd 12<sup>th</sup> May, 2012

<http://www.traf.gov.in/WriteReadData/Recommendation/Documents/TRAI%20response%20on%20Unified%20Licence.pdf>).

5. **Reference 4:** Service Based Operator (SBO Guidelines) of Singapore, <https://www.ida.gov.sg/Policies-and-Regulations/Industry-and-Licensees/Licensing/Framework-and-Guidelines/Services-Based-Operator-Licence>