



सुधीर गुप्ता  
SUDHIR GUPTA  
सचिव/Secretary

## भारतीय दूरसंचार विनियामक प्राधिकरण

महानगर दूरसंचार भवन, जवाहर लाल नेहरू मार्ग,  
(पुराना मिनटो रोड) नई दिल्ली-110002

**TELECOM REGULATORY AUTHORITY OF INDIA**

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D.O. No.15-02/2014/F&EA-II (Vol. II)  
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Dear *Sh. Garg,*

The Authority has taken note of disputes / litigations between licensor and licensees on definition of Gross Revenue and Adjusted Gross Revenue under licence(s) granted by Department of Telecommunications for different telecom services. Further, National Telecom Policy 2012 portrayed the need to rationalize taxes, duties and levies impacting the Indian telecom sector. The Authority therefore, *suo motu* decided to review the existing definition of Revenue, licence fee rate and other related matters under section 11(1)(a)(ii) of the TRAI Act. Accordingly, TRAI issued a consultation paper on "**Definition of Revenue Base (AGR) for the Reckoning of License Fee and Spectrum Usage Charges**" on 31 July 2014 seeking the comments of the stakeholders.

2. Further, there was also a reference from DoT (no. 800-23/2011-VAS of 7<sup>th</sup> July, 2014) requesting TRAI to submit recommendations for delinking of licensing of networks from delivery of services by way of virtual network operators, etc., including associated issues such as AGR, terms of sharing of passive and active infrastructure, etc., under the unified licensing regime. A separate consultation paper has been issued in this regard on 5<sup>th</sup> December 2014, dealing with the issues under reference other than AGR.

3. An Open House Discussion was conducted on 1<sup>st</sup> October 2014 at New Delhi by TRAI with the stakeholders.

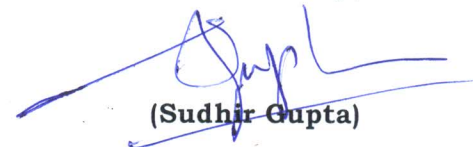
4. Based on the analysis of the comments received from the stakeholders and its own analysis, the Authority has finalised its Recommendations on "**Definition of Revenue Base (AGR) for the Reckoning of License Fee and Spectrum Usage Charges**". The Authority's recommendations are enclosed herewith.

5. In keeping with practice, a copy of this letter, along with the recommendations, is being placed on the website of TRAI [www.traai.gov.in](http://www.traai.gov.in)

This letter issues with the approval of the Authority.

*with Regards.*

Yours sincerely,

  
(Sudhir Gupta)

Encl: as above

**Shri Rakesh Garg,**  
Secretary,  
Department of Telecommunications,  
Sanchar Bhawan, 20, Ashoka Road,  
New Delhi - 110 001.