VIL/P&O/TRAI/2025/ 068
August 1, 2025

Advisor (Networks, Spectrum and Licensing)
Telecom Regulatory Authority of India,
4th, 5th, 6th & 7th Floor, Tower-F,
World Trade Centre, Nauroji Nagar,
New Delhi – 110029

Kind Attn: Shri Akhilesh Kumar Trivedi

Subject: Comments on the TRAI's Consultation Paper on "The Regulatory Framework for the Sale of Foreign Telecom Service Providers' SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes" dated 04.07.2025.

Dear Sir,

This is in reference to the TRAI's Consultation Paper on "The Regulatory Framework for the Sale of Foreign Telecom Service Providers' SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes" dated 04.07.2025.

In this regard, kindly find enclosed herewith comments from Vodafone Idea Limited on the above-said consultation paper.

We hope our comments will merit your kind consideration please.

Thanking you,
Yours sincerely,

For **Vodafone Idea Limited**

Ajay Mehta
Vice President, TRAI Policy and Operations

Enclosed: As stated above

VIL Comments to the TRAI Consultation Paper on "The Regulatory Framework for the Sale of Foreign TSP's SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes"

At the outset, we are thankful to the Authority for giving us this opportunity to provide our comments to the TRAI Consultation Paper on "The Regulatory Framework for the Sale of Foreign TSP's SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes" dated 04.07.2025.

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

Preface

A. Domestic Manufacturing and related Exports

1. Manufacturing and exports play a vital role in a country's economic growth and development. Manufacturing industries provide large scale employment, thus boosting a country's GDP by increasing production and supply of goods.

2. In India, manufacturing and exports are crucial pillars of its economy, contributing significantly to the national income and GDP growth. India is rapidly emerging as a global manufacturing hub due to its large workforce, diverse resources, strong industrial infrastructure as well as supportive and enabling policy measures from the Government.

3. The manufacturing and export sectors create millions of jobs, especially in rural and semi-urban areas. It is necessary to export goods and services in global markets for marking a global presence, which builds India's reputation across the globe. Further, exports bring in foreign currency, which strengthens India's forex reserves and overall economic stability.

4. Recognizing this, there are various policy initiatives from Government side to support and increase domestic manufacturing and exports like **'Atmanirbhar Bharat'** mission and **'Make in India'** growth initiatives. Such policy measures serve as a vital step for encompassing the Government's vision for India to become more efficient, competitive, and resilient, while expanding its role in the global economy by developing India into a "global supply chain hub".

5. Over last few years, the automobile sector has emerged as one of the key contributors to the national income and GDP growth through domestic manufacturing and exports and is also expected to continue on the growth trends. One such Government run scheme to facilitate and promote deep localization for Advanced Automotive Technology (AAT) products to enable creation of domestic as well as global supply chain, is the PLI-AUTO Scheme.

6. The automotive industry exported a record number of passenger vehicles in FY25, underscoring increasing global recognition of India's manufacturing credentials, as companies like Maruti Suzuki, Hyundai Motor India Ltd and Mahindra & Mahindra harnessed production facilities in the country to service markets as sophisticated and mature as Japan and Australia. Industry estimates showed 755,000-765,000 vehicles were shipped out in the fiscal year ended March 31, 2025, marking an increase of 12-14% over 672,000 units sold the previous year[1].

7. Besides these policies mostly focusing on providing financial incentives etc., also requires support from other sectors, for ease of doing business with flexible and enabling sub-processes involved in the manufacturing processes. One such example is the instant case of use of foreign SIMs/eSIMs, let's say in the Automobiles manufactured in India and meant for use in other countries.

B. Why Foreign SIM/eSIMs are required in M2M/IoT devices, exported from India

1. Most Indian manufacturers produce connected devices (e.g., connected cars, smart meters, industrial IoT equipment) for global markets. These devices require SIMs with international connectivity to ensure they function immediately upon reaching the destination country. The purpose of this SIM is not to provide permanent roaming services within India, but to enable seamless connectivity for devices that are part of global export programs.

2. For this, eSIMs come very handy and crucial for IoT and M2M solutions due to their ability of enabling remote provisioning and management, enhance security, streamline manufacturing, and offer global connectivity and flexibility for devices in diverse and often inaccessible environments. The physical SIM cards, however also continue to be used, depending upon the requirement of the OEMs.

3. The automotive OEMs like Maruti Suzuki, Hyundai, Mahindra & Mahindra, Tata Motors, are launching connected cars with live tracking, remote diagnostics and Over the air (OTA) updates. These features require constant and reliable cellular connectivity hence, it becomes necessary for these vehicles to connect with the SIMs/eSIMs.

4. Enabling foreign profiles support to the SIM/eSIM being integrated in the vehicles being domestically manufactured for exports, is vital for scalability, competitiveness, and alignment with global best practices.

C. Challenges with unavailability of Foreign SIM/eSIM profiles with suitable conditions

1. In case the Vehicle manufacturers are unable to deploy foreign profiles in the eSIM/SIMs integrated in the vehicles, they may lack to cope up with the existing global competition and this

[1] Source: https://economictimes.indiatimes.com/industry/auto/auto-news/indias-car-exports-hit-record-in-fy25-maruti-leads-the-way/articleshow/119880611.cms?from=mdr

may adversely impact the Indian economy. Some challenges that may be faced are mentioned in points below.

2. Once the device is imported, it cannot connect to the local network, if it only supports Indian Sims. This means that the importers cannot perform and verify the real time connectivity.

3. If the device is imported with an Indian Sim, the same has to be tested with an international roaming sim, which increases the cost. Paying of high roaming fees just to test the basic functionality.

4. Further, it results in unstable or slow connections, and does not give the actual network behavior.

5. This also leads to delays in the field trials, which further slows down the roll out of the device, especially where in time bound deployments are involved. Like fleet or asset tracking. It increases the testing costs, as it requires to buy additional hardware/SIM modules.

6. Many features like VoLTE, NB-IoT, or sms based fallback are carrier specific and require local SIMs (of the foreign country) for testing. Without a foreign sim/eSIM, such functionality remains untested and hence unreliable.

D. Benefits of Foreign eSIMs being available during Manufacturing stage

1. Enhanced User Experience. Prompt Connectivity for Connected Features and Immediate out-of-the-box connectivity in the destination country.

2. Reduced Costs and Simplified Logistics. A single global SKU, simplifying supply chains.

3. Long term sustainability for IoT and M2M Applications and Potential for New Business Models.

4. Regulatory Compliance and Data Management. It does not generate commercial telecom traffic in India. The device remains permanently outside India, consuming telecom resources of the host country.

5. Reduced dependency on local SIM procurement and provisioning abroad.

6. This approach is widely adopted by global OEMs and telecom operators for export-oriented IoT solutions

Thus, embedding foreign eSIMs during production simplifies the supply chain and reduces potential complications related to SIM activation and logistics, once the product reaches its destination for use in the foreign country. Hence, use of foreign profiles in the SIM/e-SIM needs to be allowed during manufacturing stage for deploying in the M2M/IoT devices to be exported from India, through a flexible, light-touch yet robust regulatory regime.

In continuation to the above, we hereby submit our question- wise comments as given below. Our above comments may kindly be read as part and parcel of our question-wise comments.

Question-wise Comments

Q1. Which of the following approaches should be followed for regulating the sale of foreign telecom service providers' SIMs/ eSIM cards in India for the use in M2M/ IoT devices meant for export purposes: To introduce a new service authorisation for the sale of foreign telecom service providers' SIMs/ eSIM cards in India for the use in M2M/ IoT devices meant for export purposes under Section 3(1)(a) of the Telecommunications Act, 2023; or
To include the activity of the sale of foreign telecom service providers' SIMs/ eSIM cards in India for the use in M2M/ IoT devices meant for export purposes within the scope of the proposed service authorisation for the sale/ rent of international roaming SIM cards/ global calling cards of foreign operators in India? Please provide a detailed response with justifications.

VIL Comments to Q. No. 1

1. **Proposed existing service authorisation for the 'sale/ rent of international roaming SIM cards/ global calling cards of foreign operators in India':**

    a. This authorisation is more "consumer devices" focused and its provisions are also aligned to that extent.

    b. The KYC documentation & norms requires personal user identification details. It also needs visa details of subscribers.

2. **Instant scope of 'sale of foreign telecom service providers' SIMs/ eSIM cards in India for the use in M2M/ IoT devices meant for export purposes':**

    a. As compared to international roaming SIM/GCC use case for a B2C business use case, this "use case" relates to a M2M/IoT devices based B2B business segment.

    b. The KYC documentation in this use case will not be personal user identification details as they will not be known till the manufactured product is sold to a user in the foreign country it is exported to. It may also not be tenable to seek KYC details of user of a foreign country, for use of a product in that country.

    c. The KYC details at best can be sought of the immediate user/OEM in India. It will be an Enterprise and hence, only Enterprise related KYC norms will be feasible.

3. Considering above, merging the scope of 'sale of foreign telecom service providers' SIMs/ eSIM cards in India for the use in M2M/ IoT devices meant for export purposes', in the proposed existing service authorisation will create confusion and ambiguity and thus, will not be aligned with the

spirit of Ease of Doing Business. Given their scope and conditions are completely different, it is imperative that both the services have separate authorisation with "use-case" specific regulatory norms.

4. **We strongly recommend that the scope of 'sale of foreign telecom service providers' SIMs/eSIM cards in India for the use in M2M/ IoT devices meant for export purposes' should be brought out through a new service Authorisation only.**

Q2. In case it is decided to introduce a new service authorisation under Section 3(1)(a) of the Telecommunications Act, 2023 for the sale of foreign telecom service providers' SIMs/ eSIM cards in India for the use in M2M/ IoT devices meant for export purposes, what should be the terms and conditions for such a service authorisation? Please provide inputs with respect to the following aspects:

(a) Eligibility conditions for the authorisation;
(b) Application processing fee for the authorisation;
(c) Period of validity of the authorisation and conditions for its renewal;
(d) Service area of the authorisation;
(e) Scope of service of the authorisation;
(f) Authorisation fee;
(g) Know-Your-Customer (KYC) requirements of the customers of the SIM/eSIM;
(h) Period for which a foreign SIM/ eSIM should be permitted to remain active in India for testing purposes;
(i) Penalties for non-compliance;
(j) General, commercial, and operating conditions etc. of the authorisation; and
(k) Any other aspect.

Please provide a detailed response with justifications.

VIL Comments to Q. No. 2

Kindly find below the recommended terms and conditions for the new service authorisation

1. **Eligibility conditions:**

   a. The Applicant should be an Indian company, registered under the Companies Act, 1956 /2013 (as applicable)

   b. The applicant should also hold an existing Access service Authorisation or M2M service Authorisation, directly or through parent/affiliate company, with the following criteria:
      i. Owns SMDP/SMSR platform directly or through parent/affiliate company in India, and
      ii. Turnover of Rs 100 crore minimum, directly or through parent/affiliate company.
      iii. Telco grade security & privacy deployed on existing platform.

   c. No minimum networth criteria

d. The following entities are permitted to for sale of Foreign Telecom Service Providers' SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes in the country:
   i. Unified Access Service License holder;
   ii. Unified License (Access Service Authorization) holder;
   iii. Unified License (Machine-to-Machine Authorization) holder;
   iv. Unified License for VNO (Access Service Authorization) holder;
   v. Unified License for VNO (Machine-to-Machine Authorization) holder; and
   vi. The companies holding M2MSP Registration with a specific permission for sale of Foreign Telecom Service Providers' SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes

e. An applicant, if it is an Indian company registered under the Indian Companies Act, may seek permission for sale of Foreign Telecom Service Providers' SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes at the stage of submitting application for 'Registration of M2M Service Provider (M2MSP) & WPAN/ WLAN Connectivity Provider for M2M Services'.

f. Any existing M2MSP registrant, if it is an Indian company registered under the Indian Companies Act may separately seek permission for sale of Foreign Telecom Service Providers' SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes.

2. **Application processing fee for the authorization:** It should be kept nominal i.e. ranging between Rs 5000 – 20000.

3. **Period of validity of the Authorisation and conditions for its renewal:** It should be 10 years from the effective date of authorisation.

4. **Service area of the Authorization:** It should be Pan India i.e. at a National level.

5. **Scope of service of the Authorisation:**

   a. Connectivity, data, SMS, voice features available
   b. Profile management to be allowed – OTA based on GSMA specifications or preburnt profiles
   c. Remote connectivity or bootstrap provisioning is configured as per GSMA's SGP.02/SGP.22/SGP.31/32 for eSIMs
   d. Foreign IP integration should be allowed for SMSR-SMDP integrations
   e. Host Foreign operator profile on Indian MNO SMDPs
   f. To be able to cater to foreign SIM/eSIM profiles from all countries i.e. across the globe.

5. **Authorisation fee:** Should be kept nominal i.e. ranging between Rs 5000 – 20000.

6. **Know-Your-Customer (KYC) requirements of the customers of the SIM/eSIM;**
   a. Copy of KYC documents of the company (Indian Enterprise Customer) procuring the SIMs/eSIMs, as per following.
   b. Proof of Identity of the company (OEM), as per standard applicable documents
   c. Proof of Address of the company (OEM), as per standard applicable documents
   d. Authorised signatory Identity Proof, as per standard applicable documents
   e. Company letter thereby authorizing signatory (OEM)
   f. MoA
   g. PAN /GST (if applicable)

7. **Period for which a foreign SIM/ eSIM should be permitted to remain active in India for testing purposes**: 6 months for testing purposes.

8. **Penalties for non-compliance:** Notice of 3 to 6 months post which services of that SIM in use should be barred.

9. **General, commercial, and operating conditions etc. of the authorization: and**

   a. To follow all restriction policies applicable in the destination country.

   b. To comply with any other telco policies applicable in the destination country.

   c. Test calls/SMS made from the foreign profiles within India, shall be international roaming call/SMS

10. **Any other aspect.**

    a. Indian SMSR integration with Foreign SMDP has to be explicitly allowed as per GSMA specifications.

    b. SMPP connectivity with foreign operator on Indian SMSR, has to be explicitly allowed.

Q3. Alternatively, in case it is decided to include the activity of the sale of foreign telecom service providers' SIMs/ eSIM cards in India for the use in M2M/ IoT devices meant for export purposes within the scope of the proposed service authorisation for sale/ rent of international roaming SIM cards/ global calling cards of foreign operators in India, what amendments should be made in respect of the following terms and conditions of the said service authorisation:
(a) Scope of Service;
(b) Eligibility conditions for the authorisation
(c) Application processing fee for the authorisation;
(d) Period of validity of the authorisation and conditions for its renewal;
(e) Service area of the authorisation;
(f) Authorisation fee;
(g) General, commercial, and operating conditions etc. of the authorisation;
(h) Any other aspect?

Please provide a detailed response with justifications.

VIL Comments to Q. No. 3

1. Our comments at Q. No. 1 may kindly be read as part and parcel of this question as well.

2. **We strongly support introduction of a new authorisation to serve M2M/IoT segment instead of including this in the existing authorisation which is more consumer devices focused.**

Q4. Whether there are any regulatory issues including those related to the agencies such as RBI, customs etc. in respect of the import of foreign telecom service providers' SIM/ eSIM cards for the use in M2M/ IoT devices meant for export purposes? Please provide a detailed response with justifications.

And

Q5. Whether there are any regulatory issues including those related to the agencies such as RBI, customs etc. in respect of the export of Indian telecom service providers' M2M SIMs/ eSIMs for the use in M2M/ IoT devices meant for import purposes? Please provide a detailed response with justifications.

VIL Comments to Q. No. 4 and 5

To the best of our knowledge there are no such guidelines available for M2M/IoT devices with foreign telecom service providers' SIM/eSIM cards meant for export purposes. The available guidelines pertain only for consumer SIMs.

It is recommended to allow import of SIM Cards, either directly or through an Indian company having pre-embedded profiles.

In case there are any specific requirements from customs/RBI, it is recommended to follow below process to ensure domestic manufacturing and exports are supported:

1. Single window clearance with end to end digital process

2. Simple application form

3. Deemed approval, if not approved/rejected within 2 weeks of date of application.

Q6. Whether there are any other issues related to the subject matter? Please provide a detailed response with justifications.

VIL Comments to Q. No. 6

1. During testing purposes in India, following conditions would require to be explicitly exempted w.r.t sale of Foreign Telecom Service Providers' SIM/eSIM Cards for the use in M2M/IoT Devices meant for Export purposes:

    a. Activation of M2M numbers with 13-digit MSISDN
    b. Restriction/whitelisting of 100 no.s IP/URLs & 4 no.s for SMS/Voice
    c. Maintaining of end user custodian details
    d. DKYC

2. As above-mentioned points will depend upon regulation of respective countries.

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