

Door Sabha Nigam Limited

www.dsnl.in

08 Aug 2016

To

Shri U K Srivastava Pr. Advisor (Networks, Spectrum and Licensing) Telecom Regulatory Authority of India Mahanagar Door Sanchar Bhawan Jawahar Lal Nehru Marg New Delhi 110002

Dear Sir,

Sub: Consultation Paper on Review of Voice Mail / Audiotex / Unified Messaging Services Licence - Response from Door Sabha Nigam Limited—Counter comments

With reference to the Consultation Paper and responses received from stakeholders, we would like to submit our counter-comments.

Thanking you for your kind consideration, With regards,

R Srivatsan Chief Operating Officer Door Sabha Nigam Ltd



Counter Comments to Responses received on the Consultation Paper

on Review of Voice Mail / Audiotex / Unified Messaging Services License

1. Overview:

Responses have been submitted by three classes of entities:

- a. UL Service Providers and their associations
- b. Non-UL service providers, including VM/AT/UMS licencees and
- c. Independent consultants, associations, and industry experts.

Our counter-comments to these responses are summarised below:

2. Responses from UL Service Providers/Associations:

Though there are as many as eight responses from these entities, all of them are characterised by several untenable standpoints – which are to the detriment of the long term development of the industry and to initiatives of the Government such as Digital India and Smart Cities. We would like to highlight the issues that are sought to be raised in these responses, offering our counter comments to bring clarity to the topics being discussed:

a. Violation of rules – Call management / routing:

These players allege that the telecom infrastructure was misused by certain operators. We believe our country already has a robust mechanism in place to check and prevent such incidents. In fact, some of the UL operators themselves are offering such solutions in the market. Imposing UL-centric licencing norms would only hamper the delivery of innovative and useful applications by new players

b. Violation of rules – Operation within SDCA:

The responses point to the reference to SDCA in the current standalone licence. What is not pointed out is that DoT allows provision of services over national long distance access to consumers outside the SDCA. Clause 7.2 of the Licence Agreement reads: "From outside the SDCA the service will be allowed to be accessed on STD calls basis. The Service Provider could install his equipment within the SDCA for which Licence is granted", which is conveniently ignored by the telecom service providers in their responses. As clearly pointed out by several



other respondents also, it is submitted that SDCA-specific restrictions are outdated, regressive and they do not serve any purpose.

c. Revenue loss to telecom companies:

The alleged revenue loss is not factual. Content and Application Service Providers necessarily have to subscribe to services from licenced TSPs. Every instance of usage by an end-consumer of services leads to additional revenue for the TSPs.

d. Revenue loss to telecom exchequer:

The issue of alleged revenue loss to the exchequer is untenable and there is no substance in this argument. As pointed out earlier, delivery of applications and content relies on access/carriage networks provided by TSPs, who pay AGR-based licence fees. While calculating AGR, the network usage by content/application providers is included. In fact, we are sure TSPs would include their licence fees and profit margin in their cost calculations while dictating tariff to content/application providers. It would be additional extremely illogical to levy licence content/application service providers, who are already paying these indirectly to the exchequer through the TSPs.

e. Exploitation of Arbitrage:

Regulatory arbitrage is another recurring theme of these responses. In our opinion, the current standalone licence as well as provisions of other telecom licences do not allow arbitrage of any kind. The nature of services envisioned in the standalone licence and the UL/other licences are entirely different, and by natural logic, they have to be treated differently; this does not lead to arbitrage.

f. Non-Level playing field:

There is no non-level playing field in terms of regulatory norms or compliance. The disparity exists only in terms of the telecom operator's inability to provide services of the quality and reliability that consumers demand. Delivery of conferencing and other content/application services requires customer-centric products, agility, innovativeness, and flexibility—all of these are the



characteristics of small, enterprising players who focus on offering what is needed by the market. On the contrary, telecom operators do not lay so much emphasis on such factors when it comes to content/application services, as their focus is on other products. This is evident from the market share they have, of these is a fraction of that services. which of content/application service providers. The responses from the large players show their desperation to harm the small players, and thus consumers, by referring to mandatory migration of current licencees to UL, which is uncalled for and is detrimental to all other stakeholders. In fact, it is the suggested mandatory migration to UL that will create a non-level playing field, by keeping smaller, specialist players from offering competitive services.

g. Security:

Again, this is unfounded. Every call made or received by a content/application provider is through networks owned, operated and controlled by licenced TSPs. All LI needs are already fulfilled by these TSPs as part of their licence obligations. Even if there is a security concern, it can readily be addressed by systems already in place.

Thus, the suggestion made by these service providers to mandatorily migrate existing licencees to UL is not based on rational arguments. Any such migration will lead to

- a. Monopolisation by the large players
- b. Predatory pricing practices by large operators
- c. Non-level playing field

A close look at these documents also points to a clear case of lobbying by powerful telecom operators with narrow, negative, and a self-centred approach towards the issues being debated. Their responses lack an open, progressive and practical view. What is more strikingly absent is a concern for the consumer, which should be of paramount importance when regulations are discussed.

Responses from others, including non-UL service providers and independent consultants. We concur with the points raised by most of these



respondents, except that we hold the view that audio conferencing does not require a licence. Regulatory restrictions hamper the delivery of innovative and customer-friendly services.