

Telcos Ask Govt to Reject Trai's Call to Allow Unlicensed Cos in Public Wi-Fi

Say entry of unlicensed cos would be illegal, a security hazard and hit govt's revenues

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Kolkata: Telecom companies and industry associations have urged the highest offices in government, including the Prime Minister's Office (PMO) to reject the sector regulator's call for unlicensed players to establish low-cost Wi-Fi-based internet networks in public places, upping the ante over the matter.

They say accepting such a proposal would be illegal, hurt licensed operators, undermine national security, tilt the level-playing field and also rob the central exchequer of substantial revenues.

Last year, the Telecom Regulatory Authority of India (Trai) suggested to the Department of Telecommunications (DoT) that internet services be delivered over public Wi-Fi networks under a registration mechanism instead of a licence. It had mooted new categories of unlicensed players — public data office aggregators (PDOAs) and public da-



ET ARCHIVES

ta offices (PDOs) — for delivery of such services to boost broadband. Such unlicensed entities would not be bound to pay any statutory charges and licence fees or even comply with security conditions that licensed carriers need to meet.

The Trai proposal "will bypass the present licensing framework, leading to a non-level playing field between licensed and unlicensed players, prove detrimental to the massive investments made (by licensed carriers) in spectrum, telecom infrastructure and services and also compromise national security", Rajan Mathews, director general of Cellular Operators Association of India (COAI), said in a letter dated July 5 to

Nripendra Misra, principal secretary to the PMO, seen by ET.

The COAI represents Bharti Airtel, Vodafone India, Idea Cellular and Reliance Jio Infocomm, all of whom are on the same page on this matter.

Implementation of Trai's recommendations "would also contradict the Trai Act, 1997, and also violate the Indian Telegraph Act, 1885", besides triggering "revenue losses for licensed operators", and to the central exchequer, which would be deprived of licence fee, spectrum usage charge or any upfront payment for airwaves, the body added.

Industry body Assocham, in a July 6 letter to DoT secretary Aruna Sundararajan, said intro-

duction of PDOAs and PDOs "under a registration (mechanism) is flawed and beyond the scope of the Trai Act as Trai can only regulate licensed operators and not unlicensed entities".

"Allowing internet services to be resold under a registration or authorisation would be against the basic foundation of unified licensing and impact financial health of licensed operators already reeling under financial strain," Assocham secretary general DS Rawat said in the letter, a copy of which was also seen by ET.

The COAI added that internet services over public Wi-Fi networks must only be allowed through a UL-VNO (virtual network operator) permit.

The Internet Service Providers Association of India (ISPAD), in a separate letter to the PMO, has also asserted that implementation of Trai's proposal, "would kill the business case of small ISPs operating in every nook and corner of India since they would be competing with the unlicensed operators enjoying the same rights and offering the same services".

Telcos, ISPs cry foul over public Wi-Fi model; ask PMO to reject TRAI paper

Object to PDOs, say the decision will hurt the sector, lead to an uneven playing field

SRONENDRA SINGH

New Delhi, July 8

Telecom operators and internet service providers have opposed the public Wi-Fi model recommended by the Telecom Regulatory Authority of India (TRAI) and have written to the Prime Minister's Office (PMO) saying the move would compromise national security.

The separate letters, copies of which have been seen by *BusinessLine*, said such a decision would adversely impact the debt-ridden industry and also lead to a non-level playing field between licensed and unlicensed players.

Based on existing rules for cyber-cafes, TRAI had recommended that a new set of players, called Public Data Office Aggregators (PDOAs), be allowed to set up Public Data Offices (PDOs) to resell internet services, much on lines of the PCOs of yesteryear which facilitated telephone calls.

However, in its letter, the Cellular Operators Association of

India (COAI) has called for continuing the current licence model, in which only those with permits are allowed to provide internet services. This, it said, will help maintain stability and consistency in licensing and regulatory framework.

The COAI said acceptance of TRAI's recommendations would be a violation of Telegraph Act, a disruption of the level-playing field, and a contradiction of the TRAI Act, and a loss of revenue to the exchequer.

The COAI, whose members include Bharti Airtel, Reliance Jio, Vodafone, and Idea Cellular, has been opposing implementation of TRAI's suggestions for public Wi-Fi services since April 12, 2017.

It said allowing services like the internet to be resold under a registration/authorisation without obligation of any statutory levy, compliance with security guidelines or TRAI regulations, would be against the very basic foundations of the



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Unified Licensing Regime, and should be allowed only through a Unified Licence for Virtual Network Operators (UL-VNO).

"Therefore, we would request the government, in the interest of the level-playing field, to reject these recommendations ab initio. However, if government still feels that PDOAs should be allowed for rural areas/ villages, then it should be mandated in rural areas/ villages through licens-

ing," said Rajan S Mathews, Director General, COAI.

The COAI has also written to Telecom Secretary Aruna Sundararajan on the matter.

The Internet Service Providers Association of India (ISPAI) has also written to the PMO, stating that it was disappointed with TRAI's recommendations as it aimed to bypass licensing requirements, and would be detrimental to investments made by small licensed ISPs.

The new regime would only force small ISPs to shut shop and lose their investments. It would also only serve large foreign operators who intend to work without being subjected to any licensing regime, revenue-sharing and security requirements, the ISPAI said.

"We therefore request the PMO to inform the DoT (Department of Telecom) to not accept the recommendations of TRAI to maintain the level-playing field and to protect the business of small ISP operators (sic). We also request DoT to allow us an opportunity of personal hearing at the earliest," said Rajesh Chharia, President, ISPAI, in the letter.

Meanwhile, Assocham has also written to DoT, calling the TRAI recommendations 'completely unjustifiable and unwarranted', reasoning that it would disrupt the entire licensing framework and affect the huge amount of investment already made in the telecom infrastructure.

If PDOAs need to be introduced, then it should be done under a licensing framework only, the industry body added.

Wi-Fi without licence violates telegraph Act, Trai Act, claim industry bodies

FE BUREAU
New Delhi, Jul 8

INDUSTRY ASSOCIATIONS — COAI, ISPAI and Assocham — have urged the government, including the Prime Minister's Office (PMO), to review Trai's recommendation allowing public data office aggregators (PDOAs) and public data offices (PDOs) to provide internet through Wi-Fi without a licence, which they claim violates the Indian Telegraph Act and Trai Act.

While telecom operators' body COAI and internet service provider's (ISPs) association

ISPAI have written separate letters to the PMO, the Assocham has approached telecom secretary Aruna Sundararajan with their grievances.

"We believe the proposal to sell internet services without a licence will be a complete bypass of the present licensing framework, detrimental to massive investments already made in spectrum, telecom infrastructure and services," COAI director-general Rajan S Mathews said in the letter.

The association said Trai recommendation to introduce the concept of PDOAs and PDOs under the registration is



flawed and beyond the scope of Trai Act as the regulator is authorised to frame rules related to licensed operators and not unlicensed operators.

Explaining that internet is a network, which supports communication between end points, COAI said the medium works over different media plat-

forms like wireline, wireless, etc and messages are transferred in the form of sign, writing, image, sound or intelligence.

"It is therefore clear that equipment used for internet services are covered under the definition of telegraph as defined in the Indian Telegraph Act, 1885. Allowing a service like internet to be resold in any other manner other than licence such as registration or authorisation would be against the basic foundation of unified licensing and harm the financial health of the industry," the letter said.

'Public Wi-Fi sans licence violates Acts'

INDUSTRY BODIES COAI, ISPAI and Assocham have urged the Centre to review Trai's recommendation allowing Public Data Office Aggregators and Public Data Offices to provide internet through Wi-Fi without a licence, reports **fe Bureau in New Delhi**. They claim the approval violates the Indian Telegraph Act and Trai Act.

Wi-Fi without licence violates telegraph Act, Trai Act, claim industry bodies

ENSECONOMIC BUREAU
NEW DELHI, JULY 8

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MSP Hike will Boost Rural Income: Industry



NEW DELHI The government's decision to hike the minimum support price (MSP) for

14 khariff crops would boost farmers' income, resulting in a huge rural demand push to the Indian economy, industry body Assocham said. Last week, the BJP-led government increased the MSP for paddy by a record ₹200 per quintal that will cost the exchequer over ₹15,000 crore, and help fulfil its poll promise.

