

TRAI Supplementary Consultation Paper on “Roadmap to Promote Broadband Connectivity and Enhanced Broadband Speed”

ISSUES FOR CONSULTATION

Q. 1. What should be the approach for incentivizing the proliferation of fixed-line broadband networks? Should it be indirect incentives in the form of exemption of license fee on revenues earned from fixedline broadband services, or direct incentives based on an indisputable metric?

Ans : Looking to the dire state of wireline broadband penetration, Govt. must ensure all possible ways of incentives and promote wireline broadband in the country.

Q.2. If indirect incentives in the form of exemption of license fee on revenues earned from fixed-line broadband services are to be considered then should this license fee exemption be limited to broadband revenue alone or it should be on complete revenue earned from services delivered through fixed-line networks?

Ans : Ideally only revenue earned from fixed-line broadband services and those value added services which are otherwise doesn't fall under licensing should be exempted, and out of 2000+ Internet Service Provider license, there are hardly 0.5% service providers are providing other services , which falls under license category, for the sake of those remaining 99.5% Internet Service Providers need not be penalized. Authority may come out with different mechanism to curb any unethical practice.

Q.3. In case of converged wireless and fixed-line products or converged services delivered using the fixed-line networks, how to unambiguously arrive at the revenue on which license fee exemption could be claimed by the licensees?

Ans : As stated above for the sake of few multi service providing operators, others need not be penalized. There are many different ways , like keeping a slab approached (e.g. License fee is 0% till 50 Crore, for 50 to 200 Cr. it should be 4% and above this 8% fee is applicable, so in this approach fair treatment is given to all service providers without hurting level playing field)

Q.4. What should be the time period for license fee exemption? Whether this exemption may be gradually reduced or tapered off with each passing year?

Ans : Rather than keeping the period in years, it should be a targeted approach, till wireline broadband reaches to 50% of the total broadband , or a fixed number is achieved, along with few years whichever happens later.

Q.5. Is there a likelihood of misuse by the licensees through misappropriation of revenues due to the proposed exemption of the License Fee on the revenues earned from fixed-line broadband services? If yes, then how to prevent such misuse? From the revenue assurance perspective, what could be the other areas of concern?

Ans : I think there are several types of audit being conducted by TERM cell, CCA and TRAI, a good mechanism can be worked out for such isolated cases and perceived threat of revenue misappropriation can be stopped.

Q.6. How the system to ascertain revenue from fixed-line broadband services needs to be designed to ensure proper verification of operator's revenue from this stream and secure an effective check on the assessment, collection, and proper allocation and accounting of revenue. Further, what measures are required to be put in place to ensure that revenue earned from the other services is not mixed up with revenues earned from fixed-line broadband services in order to claim higher amount of incentive/exemption.

Ans : In coordination with different wings , this can easily worked out by department.

Q.7. Is there any indisputable metric possible to provide direct incentive for proliferation of fixed-line broadband networks? What would be that indisputable metric? How to ensure that such direct incentives will not be misused by the licensees?

Ans : Some mix of different options can be worked out as suggested in earlier answers, like revenue for past few years , audit conducted by different DoT wings and slab based license fee relaxation may result in effective system of incentives.

Q.8. What are key issues and challenges in getting access to public places and street furniture for installation of small cells? Kindly provide the State/ City wise details.

Ans : Permission required from different authorities, and different interpretation by various stake holders are the key challenges. A single window clearance for RoW both for underground as well as overhead cabling with clear terms should be implemented. As proposed earlier NFO/SFO/DFO must be setup to speed up the RoW permission.

Q.9. How to permit use of public places and street furniture for the effective rollout of 5G networks? Kindly suggest a uniform, simple, and efficient process which can be used by States/ Local-Bodies for granting access to public places and street furniture for installing small cells. Kindly justify your comments.

Ans : First of all till RoW issues for underground cabling gets cleared, all options to lay overhead cable need to be allowed. All poles available of electricity companies, municipal authorities or any other local bodies need to be allowed to use to increase proliferation of OFC

cable. All this has to happen at a reasonable and affordable rate on non-exclusive basis. Many state electricity board has already done this , but need to be made uniform rate for the entire country. Government must promote common duct policy for all future road construction, and allow non-discriminatory access to the duct at reasonable rate.

Q.10. Which all type of channels of communication should be standardized to establish uniform, transparent, and customer friendly mechanisms for publicizing provisioning of service and registration of demand by Licensees?

Ans: A common portal can be created to register the demand , and same can be shared with all service providers operating in that particular service area, by providing login to each service provider. This portal can widely published in all media for consumer awareness.

Q.11. Whether proliferation of fixed-line broadband services can be better promoted by providing Direct Benefit Transfer (DBT) to subscribers of fixed-line broadband services? If no, elucidate the reasons.

Ans : As this option is not yet practiced, in our country, it is difficult to comment, but a parallel system can be initiated to check the effectiveness of the system. Few years till the critical numbers are achieved, all sorts of incentives can work as catalyst.

Q.12. If answer to Q11 is affirmative, then:

i. Should DBT scheme be made applicable to all or a particular segment of fixed-line broadband subscribers? Kindly justify your comments.

ii. If you recommend supporting a particular segment of fixed-line broadband subscribers, how to identify such segment of the subscribers?

iii. How to administer this scheme?

iv. What should be the amount of DBT for each connection?

v. What should be the period of offer within which individuals need to register their demand with the service providers?

vi. What should be the maximum duration of subsidy for each eligible fixed-line broadband connection?

Ans : For all above sub questions, need some trials, as suggested in Q-11, for some time both direct and indirect incentives need to be offered. Once a critical mass is achieved, and good amount of data is available, whether to give direct or indirect incentives can easily be taken

Q.13. Any other related issue.

Ans : Incentives in any form should not be for a fixed period, it should be for fixed target based achievement. Other incentives like lowering GST rates on broadband services, rationalizing NLD rates (pending since very long) , incentivising creation of local data centers, allowing sharing of active infrastructure by IP-1 can also work for increasing penetration. Effective utilization of infrastructure of PSUs , NOFN, with right pricing can help gathering momentum . For all Bharat Broadband OFC and PSUs OFC , leasing prices should be determined on the basis of capacity built , and not capacity utilized. Utilization of office space available for data-centers , effective proliferation of internet exchanges can also help achieving desired results.