

July 13, 2007

To,

The Advisor (MN)
Telecom Regulatory Authority of India
Mahanagar Door Sanchar Bhawan,
Jawahar Lal Nehru Marg,
Next to Dr. Zakir Hussain College,
New Delhi – 110 002

Sub- Reply of consultation paper on review of license terms and conditions and capping of number of access providers

Kind Attn- Mr. Sudhir Gupta

Dear Sir,

As per your notification dated 12th June 2007, we are furnishing our Reply of consultation paper on review of license terms and conditions and capping of number of access providers.

Thanks and Regards

Bibhu Prasad Rath
Executive Vice President
Ortel Communications Ltd

Enclosed: Reply of consultation paper on review of license terms and conditions and capping of number of access providers

REPLY:-

Currently the Basic and Cellular licenses are merged and a combined UASL license is issued to Operators. Under this license, the operators are authorized to provide both basic and cellular services. It is observed that most of the license holders are providing only cellular services and the basic service is neglected by most operators. As a result of this, the wired line network infrastructure development in the country is neglected. Hence it is suggested that, in order to encourage expansion of basic service networks, the Govt of India should allow interested operators to obtain Free Basic Service License (without any license fee). This will encourage the small / local players like ORTEL to build the basic Telecommunication infrastructure of the country and serve the Rural Areas without the used of frequency spectrum. ORTEL has recently commissioned a state of art broadband network employing Hybrid Fiber Co-axial (HFC) network covering important cities in Orissa. We plan to extend it rural areas as well. From this net work platform, we propose to provide Basic Telecom Services, in addition to “always on broadband access” to internet, thus extending the information highway to the villages. These “always on” broadband accesses provided at selected Public Infocomm Center (PICs) will enable the rural population to take part in E-Governance initiatives of the state and the central governments as recommended by TRAI as few years back. These initiatives of ORTEL are in line with broadband policy announced by the Government in October-2004. It will also enable the Government in achieving the target set for rural teledensity of 4% in NTP99. Orissa has not achieved even a teledensity of 1% in rural areas. Broadband penetration is almost zero. Fixed networks based on HFC which is the technology of choice for possession of broadband internet access globally, should be encouraged.

Present day cellular wireless technologies cannot provide real broadband capacities in excess of 2Mbits/s recommended by ITU vide their recommendation I. 1 13. Only wireline technologies i.e. HFC & ADSL meet this ITU definition of broadband and are thus being deployed in developed countries for broadband services. Since we are interested only in wireline business based on HFC technology for Basic/broadband access services, we will not consume frequency spectrum which is a scarce national resource.

If our suggestion is agreed to it will give players like Ortel a unique opportunity to provide extremely cheap communications services to their customers through the existing HFC Broadband Networks.

ORTEL
