



## **TTL Response to Consultation Paper on Regulatory Framework for Over-the-top (OTT) Services**

**Question 1: Is it too early to establish a regulatory framework for OTT services, since internet penetration is still evolving, access speeds are generally low and there is limited coverage of high-speed broadband in the country? Or, should some beginning be made now with a regulatory framework that could be adapted to changes in the future? Please comment with justifications.**

A beginning should be made now as the market is still in its early phase. It is expected that such a regulatory framework will need to evolve with the rapid changes in the internet.

Quality National and global internet connectivity at affordable prices is key to India's economic growth. Regulations should facilitate economic growth and societal enablement by assuring that the Internet is an open, highly democratic platform for innovation.

To facilitate this, all relevant telecom services in India (whether from TSPs, OTTs or any other source) should be subject to similar regulations. This should cover facets like KYC norms, data residence and privacy, legal intercept processes and infrastructure. The regulation should protect the interests of consumers and all service providers and ensure continued investment and innovation in the growth of the internet in the country

Regulations must cover (among others) -

- a. Open internet access (Net Neutrality)
- b. Privacy and Personal Information protection
- c. Freedom of speech
- d. Freedom of commerce
- e. Protection of vulnerable classes eg. Children, Elderly etc
- f. Consumer protection eg anti-fraud, consumer health and safety etc
- g. National security

Regulations should apply equally to all service providers.

**Question 2: Should the OTT players offering communication services (voice, messaging and video call services) through applications (resident either in the country or outside) be brought under the licensing regime? Please comment with justifications.**

**Question 5: Do you agree that imbalances exist in the regulatory environment in the operation of OTT players? If so, what should be the framework to address these issues? How can the prevailing laws and regulations be applied to OTT players (who operate in the virtual world) and compliance enforced? What could be the impact on the economy? Please comment with justifications.**

**Question 17: If the OTT communication service players are to be licensed, should they be categorized as ASP or CSP? If so, what should be the framework? Please comment with justifications.**

**Yes**, OTTs offering Voice Calling & Messaging service are offering Telecommunication Services and therefore a license/authorization should be required no different from what is required for TSPs.

OTT communication service players should be licensed as CSPs (Communication Service Providers).

Regulation must be Technology Agnostic and must cover all similar 'Services' from any type of service provider. So a Voice Call whether originating/ terminating from/to Fixed or Mobile Networks, CDMA or GSM



network, 2G or 4G VoLTE network or for that matter over secure/unsecure Public IP network should be treated similarly and subject to similar licensing frameworks and obligations.

**Question 3: Is the growth of OTT impacting the traditional revenue stream of TSPs? If so, is the increase in data revenues of the TSPs sufficient to compensate for this impact? Please comment with reasons.**

Growth of OTT has 2 impacts. On one side it increases the demand for data services for TSPs who provide internet connectivity. On the other hand, some of the services provided by them are telecom services which directly can and do substitute telecom services provided by TSPs like voice and SMS.

This has adversely impacted the revenue streams (voice & SMS) of TSPs. The increase in data revenue does not compensate for this impact.

**Question 4: Should the OTT players pay for use of the TSPs network over and above data charges paid by consumers? If yes, what pricing options can be adopted? Could such options include prices based on bandwidth consumption? Can prices be used as a means of product/service differentiation? Please comment with justifications.**

We believe that OTTs should be brought under the same regulatory environment as TSPs. Commercial arrangements between OTTs and TSPs must be permitted as long as they do not compromise the interests of the consumer by being discriminatory.

**Question 6: How should the security concerns be addressed with regard to OTT players providing communication services? What security conditions such as maintaining data records, logs etc. need to be mandated for such OTT players? And, how can compliance with these conditions be ensured if the applications of such OTT players reside outside the country? Please comment with justifications.**

**Question 7: How should the OTT players offering app services ensure security, safety and privacy of the consumer? How should they ensure protection of consumer interest? Please comment with justifications.**

All OTT & TSP players providing similar services should have similar obligations with respect to security. They should be able to either build this capability themselves or rent it from someone else who has it and this flexibility must be available to all types of service providers in the Indian market.

**Question 8: In what manner can the proposals for a regulatory framework for OTTs in India draw from those of ETNO, referred to in para 4.23 or the best practices summarised in para 4.29? And, what practices should be proscribed by regulatory fiat? Please comment with justifications.**

There should not be two different set of rules for service providers offering similar services over different platform / technology. As we stated earlier, Regulation must be Technology Agnostic. Services must be regulated without discriminating on technology.

**Question 9: What are your views on net-neutrality in the Indian context? How should the various principles discussed in para 5.47 be dealt with? Please comment with justifications.**

We are fully supportive of a ubiquitous, quality and unencumbered internet available to the maximum number of citizens of the country in a non discriminatory manner. In order to ensure this in a sustained



manner, we believe that the regulations also have to be non-discriminatory being applicable to all operators providing similar services in a similar way.

This shall ensure that customers have a free choice in choosing their services from a vast variety of service providers and in a cost effective manner.

**Question 10: What forms of discrimination or traffic management practices are reasonable and consistent with a pragmatic approach? What should or can be permitted? Please comment with justifications.**

**Question 11: Should the TSPs be mandated to publish various traffic management techniques used for different OTT applications? Is this a sufficient condition to ensure transparency and a fair regulatory regime?**

Traffic management practices must be non-discriminatory. It must apply consistently under the same conditions to all consumers within a segment/package transparently. Ensuring the customer is aware of this before they make the purchase is vital so that they can consciously exercise a choice to avail or not of avail of such packages. Further, traffic management must not result in any consumer or group of consumers being totally denied access to any part of the internet. The mechanism to achieve this is to have different packages from service providers with differing terms and conditions all of which are transparently made known to the consumer before purchase.

**Question 12: How should the conducive and balanced environment be created such that TSPs are able to invest in network infrastructure and CAPs are able to innovate and grow? Who should bear the network upgradation costs? Please comment with justifications.**

A level playing field amongst various operators will ensure that the operators are incentivized to invest further in the spectrum auctions, network upgrade and expansion projects. This in turn will ensure that more consumers get a quality of service at reasonable prices.

**Question 13: Should TSPs be allowed to implement non-price based discrimination of services? If so, under what circumstances are such practices acceptable? What restrictions, if any, need to be placed so that such measures are not abused? What measures should be adopted to ensure transparency to consumers? Please comment with justifications.**

Pls see response to Q10 above.

**Question 14: Is there a justification for allowing differential pricing for data access and OTT communication services? If so, what changes need to be brought about in the present tariff and regulatory framework for telecommunication services in the country? Please comment with justifications.**

Operators providing similar services should be subject to similar regulatory controls eg termination charges, revenue share etc in order to ensure level playing field among different players.

The Authority has been able to ensure that there are no predatory or over-priced services through a considered mix of forbearance and regulatory intervention and there is no reason why this should not continue to be effective for all types of service providers.



**Question 15: Should OTT communication service players be treated as Bulk User of Telecom Services (BuTS)? How should the framework be structured to prevent any discrimination and protect stakeholder interest? Please comment with justification.**

Pls see earlier responses. The rules should be the same for all players.

**Question 16: What framework should be adopted to encourage India specific OTT apps? Please comment with justifications.**

Many interventions are possible and by different players in the eco-system. Investment support, development/technical support, partnering to distribute etc are possibilities and these could come from Government, or industry or investment houses.

**Question 18: Is there a need to regulate subscription charges for OTT communication services? Please comment with justifications.**

The Authority has been able to ensure that there are no predatory or over-priced services through a considered mix of forbearance and regulatory intervention and there is no reason why this approach should not continue to be effective for all types of service providers in the future.

**Question 19: What steps should be taken by the Government for regulation of non-communication OTT players? Please comment with justifications.**

No comment

**Question 20: Are there any other issues that have a bearing on the subject discussed?**

No comment