

No.9-2/2011-CN
Telecom Regulatory Authority of India
New Delhi

21st January 2011

Notice

SUB: TRAI seeks comments on study paper “Mobile Value Added Services (MVAS) – A vehicle to usher in inclusive growth and bridge the digital divide” released by ASSOCHAM.

1. The Indian telecom sector has seen an exponential growth in the last few years. High proliferation of mobile services has created a unique opportunity to deliver information and innovative services to the masses. The mobile phone has evolved from a device just to support communication requirements to a smart phone with ability to provide a plethora of information & services usually known as Mobile Value Added Services (MVAS).
2. These applications possess features and functions that are unique to mobile devices such as mobility, flexibility to use at anytime and anywhere. MVAS is likely to provide innovative services to customers and new revenue stream for service providers.
3. Currently, the contribution of VAS to the total revenue of Indian telecom operators is just 9-10%, which is significantly lower when compared with developed markets. The potential for VAS revenues appears all the more significant at the present juncture, given that India is set to introduce 3G, a standard that allows operators to offer wide range of advanced services.

4. Considering the market potential for mobile value added service in the coming years, there is a need to develop a harmonized ecosystem for ushering growth in all the segments of the MVAS viz content development, technology platform, content aggregation etc.
5. ASSOCHAM has released a study paper on “Mobile Value Added Services (MVAS) – A vehicle to usher in inclusive growth and bridge the digital divide”. The study paper has identified issues for the growth of MVAS industry including policy framework, support infrastructure and high equilibrium ecosystem. This paper is available at TRAI’s website www.trai.gov.in .
6. In order to have detailed discussion, all the stakeholders are requested to give their views, comments and concerns on the issues raised in the study paper via e-mail at cn@traigov.in or dacn@traigov.in by 11th February, 2011.
7. For any clarifications, the undersigned may kindly be contacted.

(S.K. Gupta)
Advisor (CN)
advcn@traigov.in
Tel: 011-23217914
Fax: 011-23211998