

Response to Consultation paper by TRAI on Voice Mail/Audiotex/Unified Messaging Services Licence

About iSPIRT

iSPIRT (Indian Software Product Industry Round Table) is a think tank of Indian software Product Industry. Our mission is to build a healthy, globally-competitive and sustainable Indian Software product industry.

Why are we responding to this Consultation papers?

Almost all the companies operating in this space have developed their own Software products, to deliver unique services in this domain. Many of them are in startup phase. iSPIRT takes the cause of such companies in order to promote healthy product eco-system in all subsectors of the Indian Software product industry.

We feel this is also a promising sector where innovative Software products companies can thrive.

The response to policy – Consultation Paper

The answer to Q1 to Q8

All the service providers, operating under what are presently termed as Voice Mail, Audiotex, Audio Conference etc. should be clubbed under one single nomenclature. This is will be in favour of consumer and will add to growth of this sub-sector in the economy.

What this nomenclature should be is?

They have previously been terms as content provider, which is often confused with content providers in IT industry. There are many other names prevalent in common use such as Cloud Telephony, Application service provider etc. In order to avoid confusion and conflict with other areas, one suggestion is to term these services as “Value Added Communication Services” based on following common properties

- They are non-carriage operators of value added services
- They all hire services/resources from Telecom operators and add value to further offer a package of services
- The fundamentals of carrier operations stay with the telecom operators from whom they source the network services such as PRIs

Need to move forward from License raj

There is no need for a license and not at all for a separate license to be issued for a separate service. A simplified registration process is enough and the registration can be done in one category name such as “Value Added Communication Service Provider”. A provider can choose to provide one service or add a full suite of services.

The compliance process should also be self-certification based, online, simple to follow. A do’s and don’t list agreement can be signed with the provider registering under this service, to check misuse. The present bank guarantee mechanism can be clubbed with this agreement.

Technology should not be linked to license/registration

Technology always stays ahead of regulation. Limiting technology specifications to a very narrow service offering can stifle innovation. India needs more innovation to happen in this segment and also new startups to thrive in a healthy competitive environment.

Hence, the questions on limiting technological specification are detrimental to and oppose the very principles of Startup India initiative taken by Government of India.

Over all Consumers have a right to access to best technology. There can be checks and balances in forms of do’s and don’t in registration process, to safeguard against possible misuse or security breaches.

The answer to Q8 to Q15

These services require a special cloud infrastructure to be created. There is a uniquely created Software product that enables the service from a cloud server. Hence, the business demands a specialised skill sets and resources.

Anyone can endeavour to enter in to this sector, including Unified license operators. There should be healthy competition, welcoming all.

However, there should be a level playing field. For a level playing field;

1. everyone including the unified license operators should be subject to same window of registration regime that is proposed above. Anyone can register and start the business;
2. the other conditions such as geography, time period and fees and charges should also be same for any operator getting in to this domain;
3. large players (such as ones operating under Unified license) should operate by creating a separate business unit to offer these services, these business units should comply with requirements applicable to other non-license providers.

The answer to Questions on fees, term of license, net worth and minimum requirements etc.

The term of service registration/license should be not less than 10 years and extendable further in similar 10-year period.

The fees, charges principle should remain same as at present stage. A nominal fee can be charged. A simple fee or Bank guarantee structure is supportive to startups and small companies.

These services are similar to Software services offered by any cloud based software services. They neither directly use a national resource like spectrum or right of way nor create a network. The AGR concept does not apply to these services as providers of these services already contribute to the revenue of telecom operators under various licensing schemes subjected to AGR.

There should not be any net worth requirement. Any legal business entity of any size should be allowed to operate. These are cloud based businesses which can be easily undertaken with a small capital requirement. TRAI and DOT should not get in to the defining these requirements for these businesses.

Other comments and proposals

The policy should be promotive of the businesses that are providing these services. We have referred to them above as “Value Added Communication Services”. Here are some important issues that need attention.

Conferencing/Bridging/Point to Point call/Dial Out

Consumer should be the final winner of these policy formulation. Hence, the providers should not be subject to many rules, barring the limitation of

- a) No revenue loss should be caused to licensed telecom operator under DOT
- b) In principle Same level of security compliance adhered as licensed Telecom operators

What has been referred to as point-to-point call through conferencing is a conferencing patch of two or more PSTN calls. It earns 2 call revenues to a single provider or two providers (if allowed). The revenue Pie of telecom operators is multiplied rather than reduced. The dial out to same operator can only do one good and that is bring double revenue to same operator. The consumer does not get any extra benefit.

The security levels are exactly same as followed by the underlying telecom network operated by the licenced telecom operator by DOT. Each and every CDR is available from these telecom operators. In addition, the call logs and call details are tapped by the Value added service operators through an automated software driven system.

The requirement of hiring resources only from one telco for a dial-out is also misplaced, given the above basic principles.

For quality of service and for redundancy the multiple telco operator lines are needed to be connected on same server. There is no revenue loss as either one or two different operators earn from 2 or more calls conferenced.

There is a strong need to reform on these stringent requirements. These service providers should be allowed to hire as many PRIs from different operators as their business needs are in one location.

Simplified Compliance and monitoring

Based on unnecessary doubts, these small providers are often harassed. And, few cases of harassment of resources being disconnected by Telcos, on verbal orders from DOT officials have come to light recently.

There should be no scope for discriminatory verbal disconnection orders. Vigilance, enquiry or scrutiny can be taken up only when there is enough basis and some evidence of misuse. Any disconnections order to Telcos from DOT should pass through a notified verification process. All registered providers should be given a due hearing and a notice.

Concluding note

The new regime formed under DOT for this specified consultation paper policy should be open, reformative, promotional of this segment of Industry and simple to comply.

India has all prowess to develop its own Software product industry. Telecom is an area where our domestic Software product industry can contribute substantially. As such, the Nation needs to create lot many avenues for startups to flourish and become successful businesses.

We request TRAI to look at this policy frame work from an enabling point of view and not as a simple regulatory mainstay.