

Sterlite Interlinks Limited (an IP-I registered company) response to TRAI's Consultation Paper dated 16.08.2019 on Review of Scope of Infrastructure Providers Category – I (IP-I) Registration

At the outset, Sterlite Interlinks Limited (an IP-I registered company) is thankful to the Authority for issuing this consultation paper which deliberates on the critical and key issues pertaining to reviewing the **scope of Infrastructure Providers Category – I (IP-I) Registration**.

Preamble

IP-I registration holders so far are solely involved in providing passive infrastructure and the first impact of shareability of telecom infrastructure have been seen in the deployment of shared tower infrastructure. This registration has been instrumental in supporting fast growth of mobile network in the country.

The importance of telecommunication as an important element in driving economic and social development has been well recognised by the Government of India and all sections of society. The government also came out with a forward looking National Digital Communications Policy, 2018 with the aim to provide 1Gbps speed to all Gram Panchayats by 2020 and 10 Gbps by 2022. To achieve this, the Policy states: *“Encouragement and facilitate sharing of active infrastructure by enhancing the scope of IP-I and promoting and incentivizing deployment of common sharable, passive as well as active, infrastructure.”*

To align with the said policy statement, it would require a concerted effort from all stakeholders. As IP-I are already having the required knowledge and expertise for telecom infrastructure, expanding their scope can only help us in moving closer towards the goal of **“Broadband for all”**.

Regulatory bodies across the globe are looking at how the role of mobile network sharing can be employed to increase access to information and communication technologies. This will subsequently initiate economic growth and help achieve the Sustainable Development goals as set out by United Nations.¹

The current model in our country needs a change by giving infrastructure providers a more important role as they will work independent of the TSPs and minimize the entry costs. We are of the opinion that enhancing the scope of IP-I can assist in reducing capital expenditures, preventing duplication and ensuring better service delivery by licensed holders.

Against the above backdrop, we submit our comments to the issues raised for consultation.

¹ <https://www.itu.int/itu-news/manager/display.asp?lang=en&year=2008&issue=02&ipage=sharingInfrastructure-mobile>

1. Should the scope of Infrastructure Providers Category – I (IP -I) registration be enhanced to include provisioning of common sharable active infrastructure also?

Sterlite Interlinks Limited Comments:

- Shared economy is need of the hour, as it leads to cost reduction and can be seen in different sectors. With the success of passive infrastructure sharing – Tower sharing, such a model should be expanded to include active infrastructure as well. Currently, there is a lot of attention among the infrastructure funds, who are interested in making investments and getting long term returns. This will help in reducing capital expenditure.
- Currently, TSPs based on mutual agreement have been permitted to share active infrastructure. Allowing the same to IP-I registration holders, would help bring in more investment into the sector.
- In Brazil, the National Telecommunications Agency has been creating regulatory mechanisms to promote infrastructure sharing. It defines infrastructure sharing as assignment, for consideration, of excess capacity of the supporting infrastructure for the provision of telecommunications services by providers of other economic groups. The sharing of infrastructures to support telecommunications networks after the introduction of Resolution No. 683/2017 is mandatory in its excess capacity excluding cases where technical reasons are stated for refusal.
- Therefore, we support enhancing the scope of IP-I registration for including provisioning of common shareable active infrastructure as well.

2. In case the answer to the preceding question is in the affirmative, then

- a) **What should be the common sharable active infrastructure elements which can be permitted to be owned, established, and maintained by IP-1 for provisioning on rent/lease/sale basis to service providers licensed/permitted/registered with DoT/MIB? Please provide details of common sharable active infrastructure elements as well as the category of TSPs with whom such active infrastructure elements can be shared by IP-I, with justification.**

Sterlite Interlinks Limited Comments:

Currently, sharing among TSPs is allowed for Antenna, Feeder cable, Node B, Radio access network and transmission system. Same set of active infrastructure elements (except RAN, Node-B) can be brought under the purview of IP-I registration holders.

b) Should IP-I be allowed to provide end-to-end bandwidth through leased lines to service providers licensed/permitted/registered with DoT/MIB? If yes, please provide details of category of service providers to it may be permitted?

Sterlite Interlinks Limited Comments:

- Yes, IP-I should be allowed to provide end-to-end bandwidth through leased lines to all the service providers who are licensed/permitted/registered with DoT/MIB, list of which is given as follows.
 - Unified Licensees
 - Carrier Licensees (NLD, ILD)
 - Unified Licensees (MVNO)
 - UASL, BSO, ISPs (Category-A, Category-B & Category-C)
 - Audiotex/UMS licensees
 - IP-I registration holders
 - Registered M2M service providers (once it's registration is started by DoT)
 - All broadcasting licensees
- Further, a note listing the equipment to be shared in bandwidth leasing can be included. Following is the list of such equipment:
 - OTN Cross Connect
 - Terminal Mux
 - OADM Mux
 - SDH/DWDM/ROADM
 - Core L3-Router
 - Access L2/L3 Switch
- We agree with the view as stated in the Consultation Paper that such role of leasing out end-to-end bandwidth should not include permission to provide end-to-end bandwidth to end users/subscribers.
- As far as the different category of service providers to whom end-to-end bandwidth can be leased out can include other service providers which are currently not licensed with DoT such as Cloud service providers, M2M connectivity and the same can be made eligible to get such services as and when DoT issues their registration guidelines.
- Leasing out end-to-end bandwidth with proper restriction as stated before will help to establish a layered business model as prevalent in other developed nations. It will help to separate the services and create a market for each, thus creating employment and increasing connectivity. Consequently, it would help bring in more investment into the telecom ecosystem.
- With the increase in data consumption through 4G networks, which will only multiply in future with advent of 5G, fiberisation of towers would be required which presently may not be at desirable levels. Allowing active infrastructure scope to IP-I registration holders, will propel the fiberisation of towers as the IP-I providing towers will have additional need

and reason to provide complete bouquet of fibre, active infrastructure elements and passive towers to multiple license holders.

- c) **Whether the existing registration conditions applicable for IP-I are appropriate for enhanced scope or some change is required? If change is suggested, then please provide details of category of service providers to it may be permitted with justification.**

Sterlite Interlinks Limited Comments:

The current registration conditions applicable for IP-I can be supplemented with the following guidelines to cater to the enhanced scope.

- The changes for the enhanced scope should be made automatically applicable to the pre-existing registration holders.
- A note listing down the active equipment to be shared can be mentioned to ensure clarity among the shareability parameters.
- Also, such elements being deployed should be based on TEC specifications and properly tested elements through accredited centres. This will help take care of security concerns, if any. The licensees/registration holders can seek such confirmation from IP-I on the active elements being compliant to TEC certifications and properly tested through accredited centres.
- A note on the supervision of IP-I holders who are providing active infrastructure can be mentioned.
- The IP-I registration holders providing active infrastructure should not be brought under the licensing regime and no revenue sharing/license fee be applicable. The focus here is on bringing efficiency in this fast-paced industry and licensing IP-I holders would be counter-productive and also against ease of doing business.

- d) **Should IP-I be made eligible to obtain Wireless Telegraphy Licenses from Wireless Planning and Coordination (WPC) wing of the DoT for possessing and importing wireless equipment? What methodology should be adopted for this purpose?**

Sterlite Interlinks Limited Comments:

- Yes, the IP-I registration holders should be made eligible to obtain wireless telegraphy licenses from WPC. This can be done by amending the current rule regarding such active infrastructure elements, which is intended to be shared. A separate direction pertaining to such active infrastructure can be released which will limit the scope to use by IP-I holders.
- A note can be included in the IP-I registration wherein a condition be attached to explain the conditions under which such equipment is being imported. WPC can prepare a list of

conditions under which IP-I can import such equipment and the same has to be complied by IP-I.

- e) **Should Microwave Backbone (MWB) spectrum allocation be permitted to IP-I for establishing point to point backbone**

Sterlite Interlinks Limited Comments:

Allocation of spectrum to companies engaged in provide expertise on telecom infrastructure would require a complete overhaul of the current telecom licenses and thus actually deviate us from the main issue of reducing capex and enabling creating of more infrastructure.

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