US INDIA
BUSINESS COUNCIL

May 20, 2019

Shri U.K. Srivastava
Principal Advisor, Network, Spectrum & Licensing (NSL)
Telecom Regulatory Authority of India (TRAI)
Mahanagar Door Sanchar Bhawan
Jawahar Lal Nehru Marg
New Delhi – 110 002
div.nsl1@trai.gov.in; ja.nsl1@trai.gov.in

Re: USIBC Recommendations on the Consultation Paper on Review of Terms and Conditions for Registration of Other Service Providers (OSPs).

Dear Shri Srivastava,

The U.S. Chamber of Commerce's U.S.-India Business Council (USIBC) writes to offer our comments on TRAI's consultation on changes to registration of Other Service Providers (OSP Consultation). As you may know, USIBC is an integral part of the U.S. Chamber of Commerce, the world's largest business federation representing more than 3 million businesses of all sizes, sectors, and regions, as well as U.S. state and local chambers, and numerous industry association members. Internationally, USIBC represents the largest of our 25 country- and regional-specific business councils, and we directly represent nearly 300 companies based in India, the United States and Europe.

Our membership includes entrepreneurial, small, medium and large corporations from across sectors highly critical to the digital economy, life sciences, logistics, and the media industry. Our membership also includes India's top information technology (IT) companies as well as an innovative array of financial investors, global software, equipment, IT services, telcos, e-commerce, social media, and sharing economy innovators, all of which are central to India's digital transformation. USIBC and our members strongly support the *Digital India* initiative, and related efforts around *Make-in-India*, *Start-up India*, and *Smart Cities* programs.

Furthermore, it's critical to consider that our membership represents many of India's leading investors – domestic and international – who generate billions of dollars in digital activity, employ hundreds of thousands of Indian employees, and drive much of the country's digital innovation and exports. These companies are critical to, and supportive of India's goal of developing a $1 trillion digital economy by 2025. As your consultation notes, India's IT-enabled services (ITES) and business process outsourcing (BPO) sectors are central to the Government's economic objectives, with estimates targeting $350 billion by 2025, and accounting for 7.7% of India's economic activity.[1] Yet these figures underestimate the importance of India's digital economy around emerging applications and products such as app development, internet of things (IoT), cloud computing, and other products/services that fall into the Department of Telecommunications (DoT)'s definition of OSP. As one example, in the State of the App Economy 2018, the ACT | The App Association highlights that in the United States, the app economy generated $950 billion, employed 4.7 million people with a salary 80% higher than the national average.[2] **For India, these figures underscore the huge potential of the OSP segment, and thus, the criticality of this consultation on *Digital India* and the country's economic objective.**

India's OSP regulations are hugely outdated and unsuited to stimulate the current digital ecosystem, and therefore, USIBC is very pleased that TRAI is considering ways to change and streamline current regulations. At the high level, we strongly recommend that TRAI significantly reduce the OSP burden,

---

1 TRAI Consultation Paper no: 02/2019 on OSPs, para 1.2

2 State of the App Economy, 2018, 6th Edition, http://actonline.org/wp-content/uploads/ACT_2018-State-of-the-App-Economy-Report_4.pdf

as the objectives of the original registration policy – market analysis, jurisdictional infringement, and stimulating the BPO sector – could be more effectively serviced through other existing regulatory mechanisms. As most new digital entities would be categorized as OSPs, it's essential that the new rules are *light-touch, technology neutral, and flexible* to account for news types of products, services, and solutions in a data-driven economy. Such rules would stimulate the creation of new OSPs, which are central to the objectives of *Digital India*, *Skill India, Startup India*, job creation, and economic growth. At the same time, these rules must not infringe upon the licenses of Indian telecom service providers (TSPs), nor should they apply to the broader over-the-top (OTT) segment.

We look forward to ensuring that all actors work hand-in-hand for bilateral prosperity and growth of India's digital economy. If you have any questions regarding this consultation, please reach out to Abhishek Kishore, USIBC Deputy Country Head – India at +91 98 2186 0289, AKishore@usibc.com; or Jay Gullish, Sr. Director, Digital Economy at +1 (202) 423-9779, jgullish@usibc.com.

Sincerely,

Nisha Biswal
President, U.S.-India Business Council
U.S. Chamber of Commerce

The following inputs include USIBC's recommendations to the TRAI consultation paper organized section by section. However, we have summarized our top issues as follows:

- OSPs were introduced to provide dispensation to the BPO sector and to keep a record from statistical purposes of companies which are in the business of providing outsourcing services through inbound and outbound voice calling sourced from authorized TSPs. With the passage of time many other activities/services provided through data (such as internet, international private leased circuit (IPLC), virtual private networks (VPN), etc.) came into the OSP fold. However, with the advent of technology, evolution of different network architectures and new service delivery formats, it's imperative that the guidelines governing OSPs be reformed in a manner that provide much needed flexibility and cost efficiency. There is little difference between use of telecom resources by non-OSPs vis-à-vis OSPs. In fact, non-OSPs have much more flexibility today as compared to OSPs which are loaded with compliance obligations. Therefore, it is important that parity be brought in between OSP and non-OSPs by replacing the current registration process with a simple/light touch based "intimation" model.

- There has been an unprecedented growth in the ITES/BPO sector ($160+ billion industry). The sector is a revenue and employment generator and has the potential to achieve the objectives stated under the *Skill India* and *Start-up India* initiatives. The need is not only to have finances but an enabling and supportive ecosystem which hinges on light touch and flexible policy framework. The yawning gap between technology, innovation and policy needs to be bridged with an open mind rather than viewing it only from the perspective of security and infringement of domain of TSPs. The need of the hour is to embrace regulatory forbearance in order for the sector to grow. The telecom sector has also witnessed blurring of boundaries when compared to the app-based economy, which also provides voice calling and short message services (SMS), which combines consumer choice with affordable cost. So in the current era, which is driven by free flows of data and hybrid technology, the questions on infringement of TSPs domain seems archaic.

- OSPs are a platform which cannot operate unless telecom connectivity is provided by TSPs. Therefore, there is no way an OSP will become a TSP. Call rates are at an all-time low, and with interconnect usage charges (IUC) being phased out by 2020, the concept of toll bypass will also be history. Therefore, the purpose for which a registration framework was evolved for OSPs needs to be revisited.

- Additionally, USIBC would like emphasis a key concern around restrictions on the use of cloud-based contact center solutions, and hosted contact center solutions where we are concerned that TRAI is considering a licensing approach and proposal to regulate the Contact Center Service Providers (CCSP). Such solutions should be permitted to be provided by telecom licenses. Non-telecom licenses should also be permitted to provide such solutions without any license or regulatory framework so long as they do not provide switching facility. Specifically, we call on TRAI to allow Internet Protocol (IP) to Public Switched Telecom Networks (PSTN) interconnectivity and remove data localization requirements to promote flexibility, cost efficiency and foster innovation for offering seamless unified communications to enterprise customers for a globally consistent experience.

U.S. CHAMBER OF COMMERCE

The remaining portion of submission is organized section by section.

Section	Consultation Question	USIBC Proposal	Rationale
(1) Definition of OSP	Q1. Please provide your views on the definition of the Application Service in context of OSP. Whether, the Application Services which are purely based on data/ internet should be covered under Application Service for the purpose of defining OSP.	The reference to the word "Application" itself is not appropriate. OSPs do not provide any so-called application service. The definition "Application" needs to be replaced with "Business Outsourcing." Also, only voice-based calling services should be included in the definition, e.g., voice calling through the PSTN. Captive centers providing such services internally within the company or a group company should be exempted from OSP registration. Further, we are of the view that the term 'other IT Enabled Services' should be deleted from the definition. This is a broad and vague term that confuses the clear distinction between OSPs and data and internet-based platforms that do not seek separate resources from TSPs. Services which are purely based on data/internet should also not be covered under OSP activities, as the original intent of the OSP registration was narrow in purpose and coverage.	Reducing regulation on OSPs will encourage new outsourcing centers in India, both capture as well as third-parties. As recognized in the consultation paper, the existing definitions are out of sync with state of technology development in this space which has undergone massive changes since the rules for OSPs were put in place in 2008. In particular, the access to internet and data services has expanded exponentially. This has put into question many assumptions relating to voice telephony on PSTN and the internet which were the basis of current rules relating to OSPs. The inclusion of services like telebanking, call centers, tele-medicine, tele-education, tele-trading, e-commerce, call center, network operation center and other ITES to define application services is especially problematic and vague. This is prone to multiple interpretations, poses significant challenges for compliance and enforcement, and acts as a disincentive to invest in new facilities in India. USIBC believes that the definition of "Application Service" needs to revised and narrowed. In fact, in order to remove ambiguity and wide scope, the definition

Section	Consultation Question	USIBC Proposal	Rationale
			should also state which activities do not require an OSP registration. The OSP guidelines were conceived in 1999 was to cater to the companies into the outsourcing business (primarily voice calling – inbound and outbound). There is no concept of any application being provided and there should not be any reason why a provider of an application be registered as an OSP. "Application" itself is an exhaustive term and may include OTT applications as well. The definition of OSP under the guidelines dated August 5, 2008 of "Application Service" which is indicative and not exhaustive also does not mention any service which is an application. Instead the OSP should apply to the activity and not mere application. For example, a tele-banking application is a software enabled application. The mere reference to application itself needs to be removed and replaced with the word outsourcing. The current definition is exhaustive and broad-based. Under current definitions, it includes most IT/ITES services, which means everything in the IT domain has the potential to become OSP which is not serving any purpose.
(1) Definition of OSP	Q2. Whether registration of OSP should be continued or any other regulatory	Registration should be primarily to make the users aware of regulatory requirements	Regulation of OSP services in India reflects the concern that they could undermine the

Section	Consultation Question	USIBC Proposal	Rationale
	framework should be adopted for OSPs so that the purpose of registration specified by government is met. Please furnish your views with justification.	(with clear dos and don'ts in simple language) to facilitate OSP compliance. This should be a simple process without any added complexity. The Government should create an online, single-page OSP registration that meets the core requirement of "statistical purposes" as outlined in the original intent.	jurisdiction of licensed TSPs. But the OSP registration is not equivalent to a license granted under section 4 of Indian Telegraph Act 1885. Another example of registration is IP-1, which requires a 4-page document with no comparable obligations and seems to be a real registration. The proposed machine-to-machine (M2M) service provider registration framework aims at a light touch single page online registration for entry or record perspective. However, the OSP registration process is detailed, lengthy and seeks numerous technical details and is always open for government inspection. In fact, over the years, OSP guidelines and compliance requirements have increased and expanded in scope, raising enforcement and compliances burdens such as server localization, bank guarantees, inspection, agreement and more importantly different interpretations have made the guidelines more like a telecom license. In fact, the level of enforcement on OSPs is now comparable in some ways to a TSP license.
(2) Validity period of registration of OSPs	Q3. What should be the period of validity of OSP registration? Further, what should be validity period for the renewal of OSP registration?	Since OSPs are required to be identified for statistical purposes, there should not be any validity of such identification, which should be through a much simplified bare bones registration.	There is no case for OSPs to operate under limited period and seek renewal thereafter. USIBC understands other registrations accorded by DoT do not have any validity. So there needs to be a parity. It should be up to the OSP company to intimate to DoT

Section	Consultation Question	USIBC Proposal	Rationale
			if it wishes to stop undertaking the OSP activities.
(3) Documents required for OSP Registration	Q4. Do you agree that the documents listed above are adequate to meet the information requirements for OSP registration? If not, please state the documents which should be added or removed along with justification for the same.	Physical documentation should be required in exceptional circumstances only. In essence, documentation should be limited to minimum essential without undue financial burden on players. This is especially important, keeping in mind that most players are likely to be small and medium enterprises and should be incentivized to enter and compete in the market. Further, self-certification should be allowed for most compliances.	The documentation required for obtaining OSP registration is disproportionately large. Given that the OSP registration is accompanied with very few rights, and the services are largely business-to-business (B2B), it should be possible to register as an OSP online with minimal documentation.
(4) Registration Fees	Q5: Do you agree with the fee of Rs. 1000/- for registration of each OSP center. If not, please suggest suitable fee with justification.	The processing fee of Rs. 1000 should be for each company registering as OSP who can then provide list of locations by licensed service area (LSA) circle or city operating as OSP centers.	Charging processing fee for each location even within same LSA/city adds no value to the stated purposes of the OSP registration, as now the process of registration is online. So this requirement is unneeded.
(5) Registration of OSP for multiple locations	Q6: Do you agree with the existing procedure of OSP registration for single/ multiple OSP centres? If not, please suggest suitable changes with justification.	As far as practicable, a single registration should suffice for multiple OSP centers operated by the same entity. Due to online nature of application filing, once a complete set of requisite documents are filed for the first application, further registrations should be automatic, if there is no change in status of the applicant, subject to submission of self-declaration to that effect.	Existing procedure is documentation heavy and prone to delays.

Section	Consultation Question	USIBC Proposal	Rationale
(6) Requirement to furnish Annual Return	Q7: Do you agree with the existing provisions of determination of dormant OSPs and cancellation of their registration? If not, please suggest suitable changes with justification.	We agree. The existing provisions for determination of dormant OSPs requires the OSP to submit an annual return ("Annual Return"). This helps the DoT to keep track of Active OSP from statistical perspective. At the same time it provides an opportunity for OSPs to review decision to remain OSPs or not and updating its activities. Given the main purpose is for statistical perspective, it is imperative to have a framework to capture correct information. While the procedure is effective for ascertaining whether the OSP is 'active' or 'dormant', it seeks certain details that are not commensurate with the purpose. For example, the revenue generated from the OSP center is required to be provided as a part of the Annual Return. In our view, this is not relevant and is in variance to the stated objective of introducing OSPs.	There is little justification for elaborate documentation. Given the B2B nature of OSPs, details must be left to market forces. For instance, it makes little sense for DoT to require an Annual Return of those seeking OSP registration. The Same applies to bank guarantees.
(7) Technical Conditions for OSP Registration	Q8. Do you agree with the terms and conditions related to network diagram and network resources in the OSP guidelines? If not, please suggest suitable changes with justification.	Ideally, this should be a matter between an OSP and a TSP, since the latter has compliance obligations.	Since network resources are provided/ required by licensed TSP, there is no justification to submit network diagram by the OSPs. The burden on the OSP is to ensure that resources are taken from licensed service provider who is also obligated under its license to ensure proper use of telecom connectivity as outlined by its TSP license. Since the purpose is to have OSPs is from statistical perspective, there is no need to file any network

Section	Consultation Question	USIBC Proposal	Rationale
			diagram. OSP compliance should fall on the registrant, while the TSP is responsible for its service requirements. The relevant enforcement authority should ensure compliance by OSPs, and TSP, respectively, based on their registration (for OSPs) and license (for TSPs) conditions.
(7) Technical Conditions for OSP Registration	Q9. Do you agree with the provisions of internet connectivity to OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	There is little justification today to retain the earlier provisions relating to internet connectivity.	The guidelines were issued at a time when TSPs relied predominantly on voice revenues and termination charges. These would be at risk if OSPs were to be able to move large parts of voice traffic through the internet. This is increasingly not the case. Current OSP guidelines are very restrictive in terms of permission as it states that internet connectivity and any IP addresses for locations outside India shall not be granted. With mobility being a key requirement for enterprises, the world over, this clause is extremely restrictive and needs to be reviewed. As long as an IP address is available and fixed and related to the OSP or its group or affiliate this should be permitted, any internet call/communication is possible to be traced these days through the use of IP address. Hence, there is a need to review and relax the clause accordingly. In any event, connectivity even to proxies located outside India for internet at times (even in case of

Section	Consultation Question	USIBC Proposal	Rationale
			redundancy) will be done through the underlying connectivity provided to OSPs by an Indian TSP. Also the need to have separate internet connectivity for different OSP needs to be reviewed, particularly if they are located within the same LSA as internet connection should not be location dependent. The policy framework should recognize and permit use of internet from servers of OSP group company or affiliates located outside for a limited period say 30 days in the event of a disaster. The said time period is required from a recovery standpoint.
(8) Provisions related to Hot Sites for Disaster Management	Q10. Do you agree with the provisions related to Hot Sites for disaster management mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	OSPs must have enough flexibility to deal with *bona fide* disaster situations. There should be a provision in the OSP registration in-line with the exception provided to the TSPs to deal with disaster situation. Having a separate approval for such sites and to ensure that such sites remain active and ready is a cost prohibitive proposition requiring a review.	During disaster management, there must be automatic and seamless switch over to hot sites without any delay of any kind. Also such hot sites could be anywhere in the world so long as they belong to the OSP company/group company, this should be permitted to be connected for business continuity purposes.
(9) T&Cs specific to Domestic OSPs	Q11. Do you agree with the provisions of logical separation of PSTN and PLMN network resources with that of leased line/ VPN resources for domestic OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	The need for logical separation of PSTN and public land mobile network (PLMN) resources with leased line/VPN resources is no longer critical. It should be left to be negotiated between OSPs and TSPs, as appropriate. The National Digital Communications Plan (NDCP) 2018 envisions permitting interconnectivity	Except in exceptional circumstances, e.g., those relating to national security or end user safety, such interconnection should be permitted and players free to negotiate appropriate terms. As mentioned in the consultation, such interconnectivity is possible in many jurisdictions. India must seek to follow international best practices.

Section	Consultation Question	USIBC Proposal	Rationale
		including IP-PSTN. Hence this should be permitted.	
(10) T&Cs specific to International OSPs	Q12. Do you agree with the provisions of PSTN connectivity/interconnection of International OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	There is need to review and liberalize provisions relating to PSTN connectivity/ interconnection of International OSP mentioned in the OSP guidelines.	
(11) Provisions for monitoring and security mechanism	Q13. Please provide your views as to how the compliance of terms and conditions may be ensured including security compliance in case the OSP centre and other resources (data centre, PABX, telecom resources) of OSP are at different locations.	We appreciate concerns about security. However, it must be noted that TSPs who provide the underlying network resources are already subject to security norms. To extend these norms to users of TSP resources adds little to enhance security. The OSP terms and conditions (T&Cs) follow security conditions that are arguably archaic in the context of present day realities governing the services that are registered under this provision. It is not recommended that stringent security conditions and liability thereof to the tune of physical inspection is extended to data centers in remote locations.	In the era of cloud computing, virtualization, OSPs through an enabling policy framework should be encouraged to operate in a manner which is important from efficiency purposes. It should not be assumed that every OSP will have a massive office space to house complete infrastructure. OSPs need to choose to have their setup in the manner they deem efficient and not from the perspective of where the LSA office is located. Policy should encourage such decisions and provide flexibility. There is no difference in security compliance if some parts of setup are located at other locations. So long as it is part of OSP declared/setup including if it's located at data center or hosted center, this should be permitted. We submit that the present regulatory framework is based on the assumption of physical proximity between the OSP center and all other elements in the network such as data centers, private automatic branch

Section	Consultation Question	USIBC Proposal	Rationale
			exchange (PABX), etc. However, these services are being provided by the way of more efficient means such as the use of remote CCSPs, virtual call centres, etc. The "physical" characteristic of OSPs is therefore becoming increasingly less critical.
(11) Provisions for monitoring and security mechanism	Q14. Please provide your views whether extended OSP of existing registered OSP may be allowed without any additional telecom resource. If yes, then what should be the geographical limitation for the extended OSP centre; same building/ same campus/ same city?	Yes, it should be allowed without any additional telecom resource. The limit should be within the same city by the same service provider.	The objectives of OSP regulation are not compromised if an extended OSP of existing registered OSP is allowed without any additional telecom resource.
(11) Provisions for monitoring and security mechanism	Q15. Please provide your views as to how the compliance of terms and conditions may be ensured including security compliance in case of the extended OSP centre.	Please see answer to Q. 13	
(12) Sharing of Infrastructure between International and Domestic OSP	Q16. Do you agree with the provisions of general conditions for sharing of infrastructure between International OSP and Domestic OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	We recommend liberalization of infrastructure sharing between International OSP and Domestic OSP. Such interconnection should be permitted even for 3rd parties.	Such interconnection should be permitted unless it compromises national or network security. Terms for such interconnection are best left to be negotiated between market players.
(12) Sharing of Infrastructure between International and Domestic OSP	Q17. Do you agree with the provisions of Technical Conditions under option -1 & 2 for sharing of infrastructure between International OSP and Domestic OSP	We believe that existing technical conditions are no longer relevant. TSPs must be free to require logical separation of IP and PSTN traffic, if they wish to.	

Section	Consultation Question	USIBC Proposal	Rationale
	mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	However, this should not be mandatory. There should not be any restriction on interconnection between IP-PSTN. The bank guarantee amount should be further reduced.	
(12) Sharing of Infrastructure between International and Domestic OSP	Q18. In case of distributed network of OSP, please comment about the geographical limit i.e. city, LSA, country, if any, should be imposed. In case, no geographical limit is imposed, the provisions required to be ensure compliance of security conditions and avoid infringement to scope of authorized TSPs.	We believe that geographical limit is not relevant in a world where OSPs rely more and more on the cloud to offer their various services. We recommend removal of these restrictions and simplification of current rules.	
(12) Sharing of Infrastructure between International and Domestic OSP	Q19. Do you agree with the provisions including of logical partitioning mentioned in the OSP guidelines for distributed architecture of EPABX? If not, please suggest suitable changes with justification.	We believe that the provisions including of logical partitioning mentioned in the OSP guidelines for distributed architecture of electronic PABX (EPABX) are no longer relevant and it only creates barrier in providing better and newer services most efficiently to the users and these restriction in present scenarios don't bring any significant benefit to any stakeholder.	
(12) Sharing of Infrastructure between International and Domestic OSP	Q20. Do you agree with the monitoring provisions of mentioned in the OSP guidelines for distributed architecture of EPABX? If not, please suggest suitable changes with justification.	Liberalizing the OSP framework is unlikely to impact it since the underlying network provided by the TSPs and ISPs is always subject to security monitoring as per the license conditions.	
(12) Sharing of Infrastructure between International	Q21. Please comment on the scope of services under CCSP/HCCSP, checks required / conditions imposed on the	There should not be any undue restriction on the scope of services under CCSP or Hosted CCSPs (HCCSPs) so players can	Digital transformation and emerging technologies are changing the way people interact with each other. Today's workforce

Section	Consultation Question	USIBC Proposal	Rationale
and Domestic OSP	CCSP/ HCCSP including regulating under any license/ registration so that the full potential of the technology available could be exploited for both domestic and international OSP, and there is no infringement of the scope of services of authorized TSPs.	exploit the new efficiencies on offer, especially since they do not infringe on the scope of TSP services. We therefore encourage TRAI to allow OSPs to leverage the benefits of converged communication by allowing companies which are existing licensees as well as non licensee companies to provide such infrastructure (so long as they do not offer switching functionality). 1. IP-PSTN inter-connectivity; 2. Cloud based Infrastructure - allow deployment of infrastructure in cloud datacenter (cloud infrastructure at location of choice of customer based on business requirements irrespective of the location of data center whether in India or outside India); 3. Remove mandates around data localization or requirements to deploy infrastructure on premises so long as service providers are able to meet the reasonable access to information requirements.	demands more than just voice solutions, and instead, require a complete integrated communications solution that lets them interact with ease, in ways that they prefer. However current OSP regulations in India do not permit integrated communication solutions or convergence of networks, services and devices. For example, there are restrictions on IP-PSTN inter connectivity as regulatory framework in India mandates that Voice over IP (VoIP) systems and PSTN systems should be physically separated from interconnection perspective. Additionally there is a need to review the OSP framework to allow cloud-based infrastructure as a new model of providing high quality, cost efficient and secure network communication services. Typically in such a scenario an infrastructure is hosted in cloud datacenter and shared between several customers (though logically partitioned for each customer) and accessed remotely by each of the customers. This solution is being widely embraced by users worldwide as it provides the flexibility; cost efficiency and customer can access the data in complete security. Customers benefit from a globally consistent and seamless experience with multi-site converged IP telephony, securely

Section	Consultation Question	USIBC Proposal	Rationale
			integrating voice, video, and other data applications, and providing a flexible state-of-the-art communications network. The solution is also very flexible to meet the needs of the regulator across different regions. As the technology and solutions are changing every day, national regulatory authorities (NRAs) across the globe are embracing the emerging technologies and have permitted organizations to use cloud-based infrastructure as a new model of modern network and communication. The existing OSP framework needs to be reviewed to allow user to embrace the cloud based infrastructure to leverage best of the technology solution for their business needs while at the same time meeting the reasonable regulatory requirements. Any kind of regulatory or licensing requirements will not be conducive to the growth of the services which is so critical to India's IT-BPO sector. Thus, there should not be any undue restriction on the scope of services under CCSP so as players can exploit the new efficiencies on offer, especially since they do not infringe on the scope of TSP services. Such services should be permitted

Section	Consultation Question	USIBC Proposal	Rationale
			to existing telecom licenses or non-telecom licenses so long as they do not infringe on the domain of existing TSPs.
(13) Interconnection of Data Path and Voice Data Path in Domestic Operations	Q22. Please provide your comments on monitoring of compliance in case interconnection of data and voice path is allowed for domestic operations.	Interconnection of data and voice path must be permitted at the discretion of TSPs.	This will ensure that the full potential of OSP services can be realized. We believe that monitoring of the underlying TSP network serves the purposes of security compliance. Other monitoring may not be necessary.
(14) Use of CUG for internal communications of the OSP Company/LLP	Q23. Do you agree with the provisions for use of CUG for internal communications of OSP as mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	Players must have full flexibility to deploy closed user groups (CUG) or to share infrastructure. These two options should not be mutually exclusive.	
(14) Use of CUG for internal communications of the OSP Company/LLP	Q24. Do you agree with the monitoring provisions for use of CUG for internal communications of OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	Same as answer to Q. 23	
(15) Provisions required to made to enable "Work from Home" to OSPs and the restrictions thereupon	Q25. Do you agree with the provisions of 'Work from Home' mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	OSPs should be free to exploit 'Work from Home" as they see fit. There should be no additional compliance or costs for OSPs who wish to enable Work from Home. The existing requirements of having provider provisioned VPN (PPVPN) and submission of bank guarantee should be removed. This will provide an incentive to work from home policy especially from the perspective of growth of rural BPOs and jobs in tier 2 and 3 cities, especially to	The guidelines for Work from Home are very stringent and not practical. Each and every individual in a globally connected environment at times works from home by connecting to their office environment and perform the work. They don't need any work from home registration. Why is it mandatory for OSPs to apply and have separate connectivity for such locations? This is unwarranted, costly, and prohibitive. Therefore OSPs should be

Section	Consultation Question	USIBC Proposal	Rationale
		women to have the ease of working from their home.	permitted to allow their employees to work from home. Any use of office network through VPN client will be governed by internal IT policies including firewalls. Having extra regulations on work from home seems to be overkill. That is one of the few reasons why Work from Home as a concept under OSPs have not progressed.
(16) Domestic Operations by International OSPs	Q26. Whether domestic operations by International OSPs for serving their customers in India may be allowed? If yes, please suggest suitable terms and conditions to ensure that the scope of authorized TSP is not infringed and security requirements are met.	We believe that operations by International OSPs serving their customers in India should be allowed unless it compromises national security or consumer safety.	Indian TSP/ISP resources will be used for connectivity so there is no loss to them. There is no merit in seeking a separate domestic OSP registration in this regard.
(17) Use of Foreign EPABX for International Call Centre	Q27. Whether use of EPABX at foreign location in case of International OSPs may be allowed? If yes, please suggest suitable terms and conditions to ensure that the scope of authorized TSP is not infringed and security requirements are met.	As the Consultation Paper points out, current rules pose serious cost and compliance barriers to effective deployment of EPBAXs by International OSPs. These rules need to be liberalized to ensure that benefits of international EPBAXs can be leveraged effectively. OSPs are not telecom licensees, and therefore, they should not be mandated to host EPABX in India. They should have the flexibility to deploy EPABX within their network anywhere in the world. So long as details of the same, routing details, call data records (CDRs) are all made available to the authorities when asked, no mandate on localization should be given.	

Section	Consultation Question	USIBC Proposal	Rationale
		OSPs are like any other non TSP companies and they need to have the required flexibility in a manner which is secured and optimal.	
(18) Security Conditions	Q28. Do you agree with the Security Conditions mentioned in the Chapter V of the OSP guidelines? If not, please suggest suitable changes with justification.	We do not agree with some of the Security Conditions as we have highlighted in Q. 13. Key points of concern are as follows: a. The emphasis on physical inspection of premises and physical safety of equipment may be outdated and need to be revised – especially the provisions that permit arbitrary surprise checks in the context of Work from Home (in Chapter IV). b. The requirement of providing call records to security agencies is concerning as the term "security agencies" has not been defined. Further, especially in hosted environments, CDR compliance should lie with the OSP to demonstrate that OSP and non-OSP (including PSTN traffic) is not mixed. c. OSPs are required to take necessary measures to prevent objectionable, obscene, unauthorized or any other content, messages or communications infringing copyright, intellectual property, etc., in any form, from being carried on the network, consistent with	Per point c, it should be noted that TSPs are already subject to requirements under the IT Act in their role as intermediaries, and may be requested to terminate access to services of anyone who transmits certain kinds of unlawful content using their services. The license conditions also provide for lawful interception. In light of this, the additional obligation on OSPs appears to be unnecessary. It is also to be noted that the Supreme Court dealt with the use of ambiguous terms like "objectionable," etc. in the case of Shreya Singhal vs Union of India, and held that such terms can be broadly interpreted go beyond reasonable restrictions to free expression in Article 19 of the Constitution.

Section	Consultation Question	USIBC Proposal	Rationale
		the established laws of the country. This is not an obligation that may be complied with very easily by OSPs as the OSP often has limited control over content transmitted by end users. Even in cases of tele-medicine, tele-entertainment, etc. (where content may be in the control of Application Service Providers), much of the management of the services are performed by TSPs. d. We further note that the security and monitoring obligations under the OSP T&Cs allow the inspection of OSP Centres upon receipt of any complaint or *suo moto* action by the designated authority. We recommend that provisions in the OSP T&C should not be such that they leave the infrastructure facilities utilized in such data centers vulnerable to any unauthorized search and seizure by law enforcement agencies.	
(19) Quantum and extent of penalties	Q29. Do you agree with the provisions of penalty mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.	We believe that a liberal regulatory environment for OSPs is incompatible with excessive penalties. Penalty should be specific and proportionate. The provision should allow opportunity to OSP company to be heard.	
(20) OSP to OSP interconnectivity providing similar	Q30. Whether OSP to OSP interconnectivity (not belonging to same company/ LLP/ group of companies)	Interconnectivity between OSPs should be permitted in all cases unless it compromises security or is in violation of	This should be for all types – domestic and international. At times an International OSP may outsource some work to a

Section	Consultation Question	USIBC Proposal	Rationale
services, e.g., third party outsourcing and the safeguards	providing similar services should be allowed? If yes, should it be allowed between domestic OSPs only or between international and domestic OSPs also.	negotiated agreements between OSPs and TSPs.	domestic OSP. So this should be permitted.
(20) OSP to OSP interconnectivity providing similar services, e.g., third party outsourcing and the safeguards	Q31. In case OSP interconnectivity is allowed, what safeguards should be provisioned to prevent infringement upon the scope of licensed TSPs.	The only safeguards relevant in this case are those pertaining to national security. As discussed elsewhere, TSPs and OSPs should be free to negotiate interconnectivity terms as they see fit.	
(20) OSP to OSP interconnectivity providing similar services, e.g., third party outsourcing and the safeguards	Q32. Do you agree with the miscellaneous provisions mentioned in the Chapter VI of the OSP guidelines? If not, please suggest suitable changes with justification.		
(20) OSP to OSP interconnectivity providing similar services, e.g., third party outsourcing and the safeguards	Q33. What provisions in the terms and conditions of OSP registration may be made to ensure OSPs to adhere to the provisions of the TCCCPR, 2018?	There can be a simple point in the undertaking that OSP will comply to TCCCPR regulations.	
(20) OSP to OSP interconnectivity providing similar services, e.g., third party outsourcing and the safeguards	Q34. Stakeholders may also provide their comments on any other issue relevant to the present consultation.		