

Information note to the Press
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For Immediate release

Telecom Regulatory Authority of India

New Delhi, 13th April, 2011

**TRAI releases recommendations on “Telecommunications
Infrastructure Policy”**

New Delhi, 13th April, 2011- The Telecom Regulatory Authority of India (TRAI) has released recommendations on “Telecommunications Infrastructure Policy”.

The telecom services have been recognized the world over as an important tool for the socioeconomic development of a nation. India has over 825 Million subscribers at the end of February, 2011 and is expected to reach the figure of I Billion by the year 2014. Its tremendous growth in recent years coupled with its capabilities to deliver a host of other services like e-health, e-education, commerce, entertainment and a number of other applications have made telecommunication a basic need like water, electricity or road.

Presently, India does not have a policy for ensuring the growth and deployment of an efficient telecom infrastructure. TRAI has formulated the present recommendations on Telecom Infrastructure Policy based on a consultation process. A consultation paper was issued on 14th January, 2011 and the Open House Discussions were held on 25th February, 2011. The salient points in the recommendations are:

1. In view of the growing importance of the telecom infrastructure in the development of the country, the need for creating a conducive environment for the development of the infrastructure in the country cannot be overemphasized. Therefore, the Authority has recommended that:
 - a. **Telecom infrastructure should be treated as an essential infrastructure.**
 - b. **The Infrastructure provider-1 (IP-1) companies should be brought under the Unified licence, so that the power conferred upon the licensed service providers under the provisions of Section 19B of the Indian telegraph Act, 1885, in respect of Right of Way (RoW), could also be applicable in case of IP-1,**
 - c. **Telecom infrastructure provider companies should be extended tax benefits under Section 80 IA.**
 - d. **The electricity distribution companies in the states to provide grid power connectivity on priority for telecom tower sites.**
 - e. **Infrastructure Providers (IP-I) should be permitted to install and share active network limited to antenna, feeder cable, Node B, Radio Access Network (RAN) and transmission system subject to the condition that they are brought under the proposed Unified Licensing Regime.**

2. Presently, the service providers and the telecom infrastructure providers are facing a number of problems with the local civic authorities specially w.r.t Right of Way (RoW) permissions and heavy charges imposed by the local authorities for installation of telecom towers. The Authority has examined the legal provisions of the Indian Telegraph Act, 1885 and has recommended that:

- a. **DoT should clarify to all the state Governments for strict compliance by local authorities, that the local authority's power in terms of exercising the provisions of the Indian Telegraph Act, 1885 is limited only to those properties that are vested in or under the control or management of local authority.**
 - b. **DoT should fix a time limit of 45 days for grant of permission by the local authorities as well as uniform reinstatement charges for laying the cable**
 - c. **The Central Government should appointment of a dispute resolution authority for dealing with the cases of refusal of permission or imposition of conditions for granting permission by the local authorities.**
3. With the rapid growth in the wireless subscriber base and increasing use of wireless platform to provide new services and application like m-banking, education, entertainment, mobile TV etc., there is an urgent requirement to provide a ubiquitous and effective coverage, both outdoor and indoor through an efficient infrastructure. Therefore, the Authority has recommended that:
 - a. **All Ministries in Central Government should be advised to provide In Building Solutions (IBS)/ Distributed Antennae System (DAS) within next one year, in all its buildings including central PSU buildings, Airports and buildings falling under their jurisdiction & control.**
 - b. **Similarly all State Governments to be advised to provide/ mandate, within next one year, IBS/DAS solutions in all buildings including hospitals having more than 100 beds and shopping malls of more than 25000 square feet super built area.**

4. There is a growing feeling that increase in the number of telecom towers in the recent years is resulting in spoiling the aesthetics of the cities and is also contributing to increase in the pollution levels due to the use of generators. To minimize the same, the Authority is recommending:

- a. Standardisation in the tower design.**
- b. Mandating Camouflaging of telecom towers in areas of heritage, environmental or architectural importance.**
- c. As far as outdoor coverage is concerned, DAS should be mandated for deployment in 63 JNNURM cities within 18 months after completion of optical fibre network in these cities under the National Broadband Plan.**

5. The Authority has noted that there is a wider scope for Mobile Virtual Network Operators (MVNO) in the proposed unified licencing regime. Therefore, the Authority is recommending that the scope of MVNO be broadened and strengthened. Some of the main recommendations are:

- a. A Unified licensee who does not possess spectrum should be allowed to work as an MVNO in any licensed service area. The Unified licensee ceases to be an MVNO if it is allocated spectrum for accessing the subscribers.**
- b. MVNO may be allowed to set up its own infrastructure including MSC, Radio Access Network (RAN)/Base Station Subsystem etc., if required.**
- c. There should be no restriction on the number of MVNOs attached to a MNO subject, however, to their being only one MVNO in a revenue district.**
- d. An MVNO cannot get attached to more than one MNO in the same service area.**

- e. **MVNO should pay spectrum charges on its revenue. The slab applicable to MNO will equally be applicable to the MVNO.**
 - f. **For complying with its roll out obligations, the MNO can take into account the roll out achieved by its MVNOs.**
6. With the increase in the usage of internet, it is necessary that the cost to the consumers is kept low. In this regard, the Authority has recommended that-
- a. **IXPs may be brought under Class license. Once this recommendation is accepted, detailed terms and conditions of Class licence for IXP services will be provided by TRAI.**
 - b. **Data centres may be permitted to connect directly to the IXPs.**
 - c. **National level ISPs and International Internet bandwidth (IIB) providers may be mandated to connect to all IXPs.**
7. Looking at the growing increase in the IP traffic and the paucity of IPv4 addresses in the country, the Authority has recommended that:
- a. **All Government websites should be made IPv6 compliant by 2012.**
 - b. **IPv6 test bed facilities need to be created for simulating and testing products in end to end IPv6 traffic environment. The IPv6 test bed facilities, already available with academic institutions like IITs, IISc should be extended to National Institutes of Technology (NITs) for easy access to stakeholders.**

The full text of the recommendations is available on TRAI's website
www.trai.gov.in

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