



QTL/Reg/TRAI/1806/681
June 18, 2018

Mr. Asit Kadayan
Advisor (QoS),
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg,
Old Minto Road,
New Delhi-110002

Sub: Comments on “Draft Regulation of Telecom Commercial Communications Customer Preference Regulation 2018” released on 29.05.2018.

Dear Sir,

Please find enclosed herewith comments of M/s Quadrant Televentures Limited on the **“Draft Regulation of Telecom Commercial Communications Customer Preference Regulation 2018”** released on 29.05.2018, for your kind consideration.

Thanking you,

Yours sincerely,
For **Quadrant Televentures Limited**

A handwritten signature in blue ink, appearing to be the initials "NS" with a stylized flourish extending to the left.

Authorized Signatory

Enclosed: As stated above

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M/s Quadrant Televentures Limited (“QTL”) response on TRAI draft Regulations ‘the Telecom Commercial Communications Customer Preference Regulations, 2018’

QTL submission in respect to draft Regulations on ‘the Telecom Commercial Communications Customer Preference Regulations, 2018’ is as under.

- At the outset, we are thankful to TRAI for releasing the draft Regulations on ‘the Telecom Commercial Communications Customer Preference Regulations, 2018’. However, on analyzing the overall outcome of the Regulation, and the Financial Aspect on TSPs for implementation of the same, we feel that the required objective of controlling UCC complaints can be met by some enhancements in the existing policy instead of going in for a fresh new regulation on Telecom Commercial Communications Customer Preference altogether.
- QTL, would like to state that the Fee for registering as a Telemarketer is currently too low [INR 5000 per registration], which is encouraging even a small and micro company for getting registered as a Telemarketer and toying with the regulations. Thus, we propose an increased registration fee to an extent of 50 Lacs to 1 CR for each Telemarketer. This will certainly create a barrier for non-serious companies to get themselves registered as a Telemarketer and conduct illegal marketing activities.
 - Secondly, as suggested during our last inputs on the UCC complaints that the entire Eco-System needs to be managed and maintained at TRAI’s end in order to have a Transparency for all subscribers for registering complaints! However, a real-time HTTP API Connectivity needs to be established between TRAI and each TSP for updating and servicing end subscribers consent and preferences are currently not a part of this draft regulation.
- We also wish to state that as per the draft regulations 2018, if all the Headers along with the Templates both for Promotional, Transactional Messages and OTPs are already made white-listed mandatorily, it will automatically have a major impact on the number of UCC Complaints being logged by the subscribers.
- QTL will also like to highlight a fact that as in at TV, Radio, Newspaper and other related MEDIA wherein all the viewers are forced to see multiple advertisements of multiple brands without their consent, then why does TRAI wishes to lay down a policy for UCC Complaints applicable to Mobile Users only, thus creating a discrimination between these two channels of communication.

- Lastly, there are open discussions on IUC Charges being either abolished or being reduced to the minimum. Further if the new Telecom Commercial Communications Customer Preference Regulation is deployed, which has huge financial implications to the TSPs, without any additional revenue source from SMS; it will severely hit the Telecom Companies in a big way.
- Hence, after considering above points, we strongly feel that the Draft Regulation 2018 is a surely a financial burden on each TSP as they have to deploy multiple internal software development / up-gradation / integration with their current systems, technology and manpower for executing the Regulation 2018. As you are already aware that, current Indian telecom sector is under extreme financial stress with Companies making negative returns on their investments, therefore imposing an extra financial burden at this stage to the Company is not advisable.
- Further, financial disincentive mentioned in the Regulations too high as per current Indian telecom sector scenario. It may be inferred that holding TSPs accountable for the unwarranted actions done by the subscribers/Telemarketer (TM) is unjust and the Authority should consider the fact that any deviation from the usage guidelines, on part of the customer/TM, should be attributed to him and him alone. Hence, we request to Authority that no financial disincentive should be levied on the TSPs and rather it should be abolished from the new Regulations 2018 as well as from the existing Regulations.
- We would like to submit that there are various Regulations/Sub Regulations such as Regulation 17, 18, 19, 21, etc. which will be part of the Code of Practice (CoP) to be prepared by TSPs and approved by TRAI. We wish to state that, every TSP will make CoP as per their convenience and it will vary from TSP to TSP. It will also put a bigger TSP in a bargaining proposition against the smaller TSP for imposing their laid down CoP and thus there will be no level playing field left for the smaller TSP for sustaining in the market. Hence it will not be workable solution and the purpose for this Regulation shall be defeated. Therefore, we request TRAI to make common CoP for all the TSPs keeping in mind the interest of smaller TSPs.
- After the finalization of the CoP the IT & other Companies internal multiple CRM system up gradation shall be initiated. Since draft Regulation prescribes for adoption of Distributed Ledger Technology (or blockchain) in order to enforce regulatory compliance, which is a completely new Technology being adopted for the first time in this sector, we will require at least 9 months time after the finalization of the CoP to make system ready for the compliance of the draft Regulation. Hence, we request the Authority to kindly provide adequate time i.e. 9 month to 12 months to comply with the said Regulations after the finalization of CoP.

- Refer to regulation 9, 13 & 14 have mandated the adoption of new technology named Distributed Ledger Technology (DLT) and introducing an entity in the value chain as private DLT Network Operators who will implement the DLT as per the prescribed Code of Practice (CoP). QTL submission is that, adoption of Distributed Ledger technology (DLT) is unnecessary financial burden to the Company which are foist by Authority & Company is not in position to implement the same under the current business scenario. However, even if the DLT is mandated and needs to be implemented, the same requires adequate time as these are commercial negotiations involved in the entire process, which is a time consuming activity. Post finalization of the vendor, the implementation of the DLT solution will further take time as this solution is totally new and the both QTL and the identified Vendor will require extensive testing before putting the solution into production. **Hence, we request the Authority approximately nine month to 12 months timeline for the implementation of Regulation 9 & 14 and any other regulation which requires DLT functions after the finalization of CoP.**

- Refer to the regulation 24 under draft Regulation, Authority has prescribed the Distributed Ledger Mechanism for processing the complaints received by an operator and mandates the operators to keep the records of details of complainant and the senders against whom complaint has been lodged for three years.

We suggest that three years is a very long period to maintain the record of complainant and the sender against whom complaint has been lodged, because data size is huge and take commercial impact to Company for keep it up. There is no logical reason to maintain the complainant records for three years, once the operator has resolved the Complaints and acted upon against a sender as per the regulations, mandating that operator to keep record of such sender for three years seems unnecessary. **Hence, we suggest to Authority reduce these record keeping timelines to 6 month instead of the proposed three years.**

- Refer regulation 26 under draft Regulation, wherein operators to maintain record keeping of the complaints on daily basis for each circle and also submit the PMR to TRAI as and when required. **We request the Authority to prescribe the format for reporting and seek the PMR under this regulation after six months from the date of implement all the functions as required under various regulations.**
- Refer regulation 34 under draft Regulation we wish to state that, TSP can only manage and/or control the services at network layer and application layer is totally independent from the TSP's network. A TSP has no role or visibility regarding the kind of app services (mostly OTT) a customer is using on its handset. Further, to execute the responsibility set forth vide Regulation 34, it

would be required for the operator to access the application layer information from the handsets being used by its subscribers. This would be violation of various provisions pertaining to security and privacy of customers' information and hence TSPs cannot ensure that the devices on their networks support functionality of certain Apps.

We wish to state that, device manufacturers and operating systems fall squarely outside TRAI's jurisdiction; Draft Regulation contravenes the powers conferred upon TRAI under the TRAI Act and TSPs in no position to execute the said Regulation. We request the Authority to kindly remove/modify the Regulation 34 in a manner which doesn't mandate the TSPs to ensure the functionality of the Apps on the devices registered in their networks.

- Refer to regulation 35 under draft Regulation, wherein mentioned that Terminating Access Provider (TAP) may charge Originating Access Provider (OAP) for Commercial communication messages as (a) up to Rs. 0.05 (five paisa only) for each promotional SMS; (b) Up to Rs. 0.05 (five paisa only) for each transactional SMS; (c) Up to Rs. 0.05 (five paisa only) for each service SMS (d) Provided that there shall be no transactional SMS or Service SMS charge on:- (i) any message transmitted by or on the directions of the Central Government or State Government; (ii) any message transmitted by or on the directions of bodies established under the Constitution; (iii) any message transmitted by or on the directions of the Authority; (iv) any message transmitted by any agency authorized by the Authority from time to time.

We wish to bring to your kind notice that, currently Terminating Access Providers are charging 0.07 paisa per SMS termination charges for (transactional & promotional) and 0.02 paisa per SMS for (Government Exempt). We would like to seek clarity that with the implementation of this new regulations, the actual termination charges shall be laid down flat at 0.05 paisa per SMS only (transactional & promotional) other than government exempted SMS? Also, no other termination charges shall be levied for such messages.