

Department of Telecommunications

Ministry of Communications
Government of India

Indian Telecommunication Bill, 2022

Introduction





The widest **transformative potential** for everyday lives of people across the country.

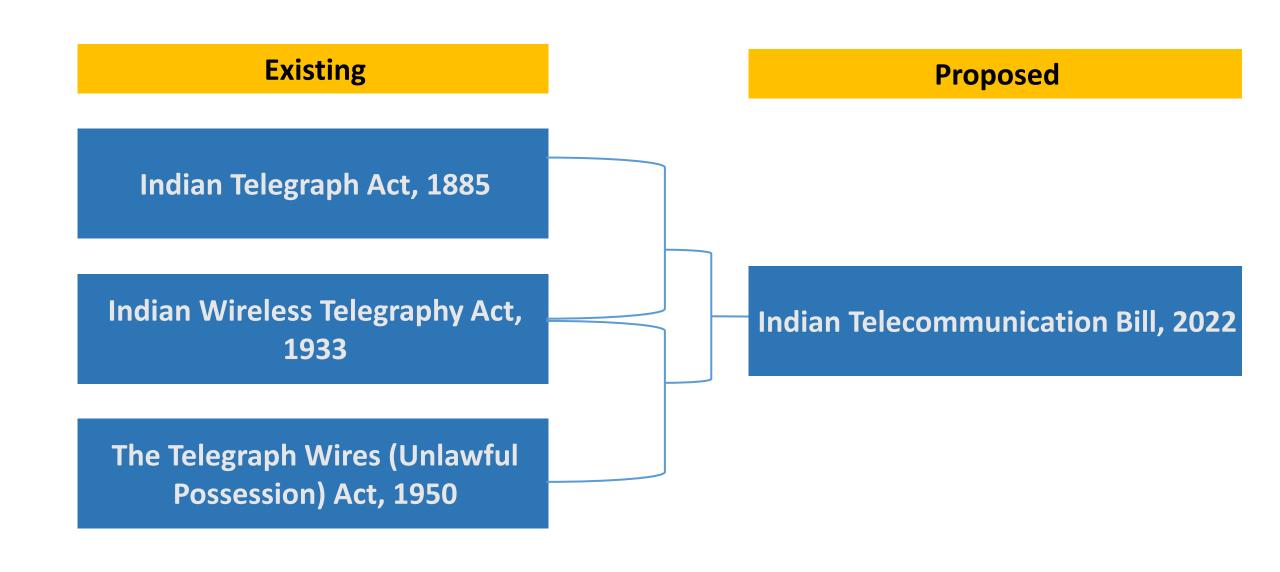
An enabler of other critical infrastructure, from power to transportation to financial services.

- ❖ 117 Crores subscribers (approx.), India 2nd largest telecom market
- Contributes approx. 8% to GDP and employs 4 million people

Need for a New Law

- Telecom as the primary gateway to digital services
- Technology has changed considerably → need a modern law
- Need specific legal framework for Spectrum, RoW, insolvency, etc.
- Growth of the Digital Economy Emerge as leader in 5G and 6G technology

Consolidation of Multiple Laws Governing Telecom Sector



Consultative approach

- Extensive consultations
- Detailed study of global best practices
- Simple drafting, use of illustrations
- Obsolete provisions removed \rightarrow definitions updated
- Explanatory note for further consultation

What does the Bill aim to do?











Minimum but effective regulation

Regulatory certainty

Robust mechanism for RoW

Protection of users

Promoting innovation and employment

Structure of the Bill-Chapters

Total Chapters-12		Number of Sections reduced: Earlier – 64 (3 Acts combined) Proposed Bill -53	
1	Short Title, Extent and Commencement	7	Telecommunication Development Fund
2	Definitions	8	Innovation and Technology Development
3	Licensing, Registration, Authorization and Assignment	9	Protection of Users
4	Right of Way for Telecommunication Infrastructure	10	Miscellaneous
5	Restructuring, Defaults in Payment, Insolvency	11	Offences
6	Standards, Public Safety and National Security	12	Repeal and Savings

Structure of the Bill-Schedules

Total Schedules-5

Spectrum assignment for for Governmental Functions, or purposes in view of public interest or necessity – Section 5(2)(b)

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Broadcasting services requiring License as of the Appointed Date

Offences and Penalties

Penalties for breach of terms and conditions

Telecommunication Infrastructure

Detailed provisions of the Draft Bill

Protection of Users

- KYC provisions
- Protection from unsolicited messages → enabling provisions for Do Not Disturb registers
- Duty of the user to give correct KYC information

New Definitions (Section 2)



Earlier only 15 definitions were in 3 Acts combined with ITA having only one technical definition that is for <u>Telegraph</u>



New terms and definitions (24 in number) provide for a **future-ready framework** to govern all modern telecommunication as it exists and is expected to evolve in the future. Relevant definitions have been updated.

Uses **illustrations**, and **contextual definitions** where necessary, to further clarify the intent of a provision

Telegraph



Telecommunications

Telecommunication Services

Telecommunication Network

Telecommunication Infrastructure

Simplifying Regulatory Framework (1/2)

3

4

Existing (Section 4 of ITA)

Central Government has exclusive powers to operate telegraph and grant license

Proposed (Section 3&4)

Exclusive privilege is an established principle – Retained – to be exercised it by granting:

telecommunication networks

Registration – for telecommunication infrastructure

Authorization – for wireless apparatus

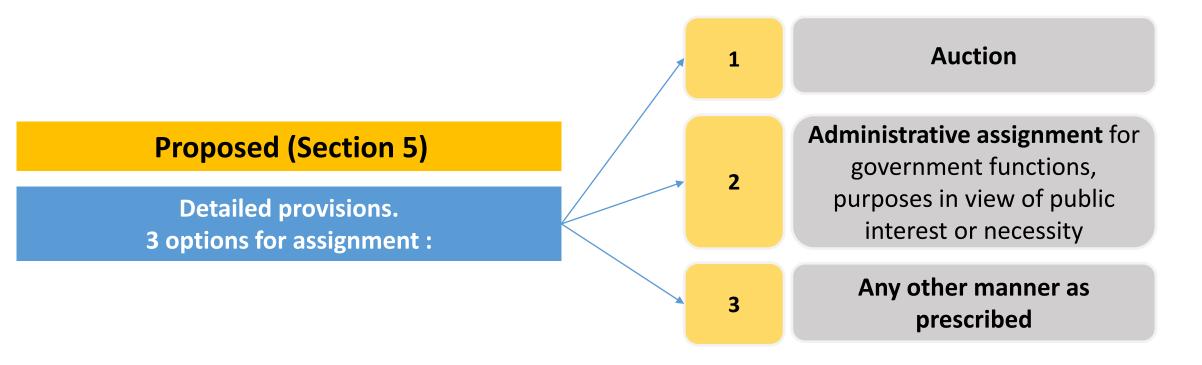
Assignment – for spectrum

Methodology of Spectrum Management

Existing

No specific provisions. Governed by ad-hoc policies, precedents and court ruling.

In 2012, Hon'ble Supreme Court ruled that assignment should be in fair, transparent and non-discriminatory manner which led to framing of policies in this regard.



Spectrum Reforms-Sharing & Trading

Existing



Governed by **various guidelines**, ad-hoc policies.



No provisions for spectrum leasing.

Proposed (Section 5 & 6)



Clear provisions in the law to allow-



- 1. Spectrum trading
- 2. Spectrum sharing
- 3. Spectrum re-farming and harmonization
- 4. Spectrum leasing
- 5. Technology agnostic use
- 6. Returning unused spectrum to Govt.

Focus is on the effective use of spectrum

Regulatory certainty: focus on continuity

- All existing rules, regulations, exemptions, etc. to continue
- No retrospective amendment to the terms and conditions
- Existing licenses to continue
- Existing registrations to continue
- Existing spectrum to continue

Breach of Terms and Conditions

Provision of Voluntary Undertaking

- >a mechanism through which a licensee, registered entity, or assignee may submit an undertaking to address any breach of terms and conditions.
- This innovative approach towards remedying breaches will bring in significant relief for the entire telecom ecosystem.

► Alternate Dispute Resolution Framework

Right of Way (1/2)

Existing(Section 10-19 of ITA)

Right of Way Rules, 2016 (as amended from time to time)

RoW remains a major bottleneck

Proposed (Section 12-18)

Legal backing for PM Gati Shakti

Gati Shakti

Central Government to have powers to acquire RoW

Specific provisions for public and private entities

3

RoW to be nondiscriminatory and nonexclusive

4

Right of Way (2/2)

- Effective RoW critical for 5G roll-out and Quality of Service
- RoW on public property -> permission in time bound manner
- RoW on private property -> negotiation and mutual agreement
- Legal backing for uniform and non-discriminatory RoW
- Enabling provision to establish common ducts
- Telecom infrastructure to be different from the property it is installed on

Telecommunication Development Fund

Existing(Section 9A-9D of ITA)



Universal Service Obligation Fund



USOF is managed by Central Government



Limited only to universal services in remote areas

Proposed (Section 27-31)

Telecommunication Development Fund



Can be administered through a separate entity in future.

Widened to include:

- 1. Universal service in underserved rural, remote and urban areas.
- 2. R&D of new technologies, products and services.
- 3. Support skill development and training
- 4. Support pilot projects
- 5. Introduction of new telecom services, technologies and products

Towards Ease of Doing Business

- Easier Mergers, Demergers & Restructuring No prior permission, only prior notice required
- For Insolvency special framework in addition to IBC 2016 License and Spectrum to remain with Licensee as long as:
 - a. Continues to provide services
 - b. Government dues are paid
- Focus on continuity of services and realization of value of spectrum
- Framework to address defaults in payments

Innovation and Technology Development

Regulatory Sandbox

- To enable any person to conduct tests and collect evidence relating to new telecommunication innovations under a flexible framework in controlled environment with special terms and conditions
- It will facilitate development of telecom technologies and generate new employment
- Empower start-up ecosystem

Offences & Penalties (Section 44-48 & Schedule 3)

- Offences updated and Obsolete provisions removed
- Clear distinction between major offences and routine mistakes
- Compounding provision included
- Cognizable/ compoundable → Based on seriousness of the offence

Danaltica Comparison

	Penalties - Companson
Existing(Section 20-32 of ITA)	Proposed(Section 44

No option for compounding of offences

tend to be listed as accused

telegraph, bribery, etc.

10 offences in 3 acts mandated imprisonment

In case of offences by complaints all employees/ official

Anyone free to initiate action in respect of all kinds of

Separate provisions containing descriptions of offences

Misconduct on part of telegraph official, retention of

offences whether minor or serious alleged offence

makes it tedious to understand the content

provided for the offence

three are compoundable

complains.

In case of non-serious offences, option to compound

with fine not exceeding 150% of the max. amount of fine

Only 7 offences mandate imprisonment and out of them

Only those employees responsible for the conduct of

No Court shall take cognizance of any non-cognizable

One Schedule containing description of the offence

under Act, penalty, classification as cognizable or non-

cognizable and compoundable or non-compoundable

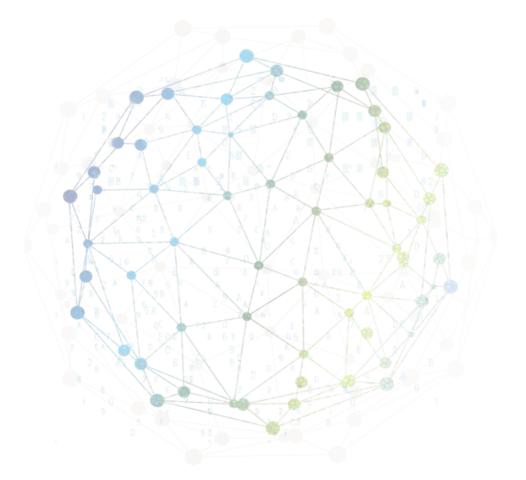
Such offences have been omitted as they are covered

within the scope of Conduct Rules or general law

Independent Directors is kept outside the purview

offence (serious in nature) unless Central Govt.

business relating to offence may be proceeded against.



Thank You