

Comments on the Draft National Digital Communications Policy-2018

The draft policy was uploaded in DoT website on 1.5.2018 and time up to 25.5.2018 was given for submitting comments. This is too short. It will be better if it is extended up to 30.6.2018 so that comments can be submitted considering all aspects. However, we are submitting the following comments for consideration and we will submit more if opportunity is given by extending time limit.

1. There is no review in the Policy as to why India is far below in the world, at 134th place among the countries in the ICT Development index, in spite of all the policies in the past—National Telecom Policy, 1994, New Telecom Policy 1999 and National Telecom Policy 2012. It is also necessary to analyze why China that was behind India in Telecom Sector until the early 1990s is now at 80th place in ICTD index and India is at 134th place in the World ICTD index. Without an honest review, it is not possible to frame a policy really helpful for the country and the people. Therefore it is necessary to make such review as part of the 2018 Policy.
2. The naming of the Policy as “National Digital Communications Policy,2018” instead of “National Telecom Policy 2018” is laudable in view of the ever increasing role of digitalization in the communications sector. But it encourages private sector telecom companies and discourages Public Sector Telecom Companies in R&D, Manufacture, and services sectors –C-DoT, ITI, BSNL, MTNL etc,. But it is not answering the pertinent question- why India is at 134th place in the world ICTD index in spite of all the policies after 1990 encouraging private sector and discouraging public sector.
3. The Policy strives for making it easy for mergers, acquisitions and exits and for sharing, trading of spectrum etc. It will result in reducing competition and domination of a few monopolistic companies. It is known to anybody observing Indian Telecom Sector that by the end of this year 2018, there will be only 3 telecom services private sector Companies –Airtel, Vodaphone- Idea merged entity, and Reliance Jio. Next to them will be the PSUs-- BSNL at a distant place in terms of revenue and market place having neither 4G spectrum nor enough capital to modernize and expand its net work and MTNL-almost at the verge of collapse. C-DoT is not encouraged and ITI is not encouraged.
4. Thus, all the telecom PSUs in R&D, manufacture and Services are struggling for survival due to the undue importance given to the private sector companies. If this is the situation, how the PSUs like BSNL will survive unless the Government really owns them and provides them not only 4G but also 5G, Artificial Intelligence, M to M technologies etc which will come into operation in India 3 or 4 years, and helps them with interest free loan for expanding its network. The present Government has stated umpteen times that the losses to BSNL and MTNL are due to the wrong policies of the previous Government. Then why it should not help these PSUs by providing them 4G spectrum now to BSNL and MTNL free of cost, by treating the cost of the spectrum as investment by the Government in its own Company. Similar policy has to be adopted in the case of 5G spectrum and other advanced technologies.
5. It is pertinent to note that the Policy talks about encouraging domestic manufacture by ensuring strict compliance of PMA (Preferential Market Access) requirements. But it says the PMA requirements for procuring domestically made equipment are for government agencies only, there by leaving the scope for private sector telecom companies to procure their telecom equipment from anywhere in the world. As usual, this policy makes it an obligation on BSNL to procure equipment from ITI and leaving Airtel,, Vodaphone etc free to import equipment. Therefore the Private Companies are importing required equipment killing domestic manufacture. Hence it should be made mandatory for private sector telecom companies also to procure domestic equipment.

6. Unless it is made a compulsion to the foreign companies to share their knowhow with the Indian Companies, we cannot achieve much progress in R&D in telecom sector. For this, it is necessary to make it compulsory for the private operators to procure equipment indigenously so that the foreign manufacturing companies will come to India, collaborate with Indian manufacturing companies and share their knowhow. The experience of China has to be taken into consideration in this regard.
7. The talk of security in telecom sector is a mirage unless indigenous equipment is utilized and Public Sector Telecom Services Companies like BSNL are encouraged. Inviting 100% FDI in telecom sector and talking about security in telecom services is contradictory.
8. The Government has to recognize with all seriousness that healthy and dominant PSUs are required in telecom sector to prevent the monopolistic private companies to collude and increase tariff and for implementing the projects of the Government in telecom sector for developing backward areas and for the security in communications.
9. The policy envisages the increasing role of private sector in laying the increasingly required optic fiber. This has to be reversed and the work has to be done by the PSUs and there after the fiber has to be owned by the PSUs.
10. The creation of BSNL Tower Company is not in the interest of BSNL. It imposes huge amount of payment on BSNL to the Tower Company for using its own towers. It also has no money to compete in the tower sector by expanding the number of towers. Therefore both the BSNL and the Tower Corporation will suffer. It is a step towards fragmenting and privatizing BSNL.
11. We also oppose the proposed encouragement proposed to VNOs---Virtual Network Operators for reselling the telecom products.
12. We submit that in the interest of the people, it is necessary to give increasing role to Public Sector in telecom sector and digital communications.
