

# UPDATE

# **ERGO** Analysing developments impacting business

### DOT'S RE-VISION TO THE OSP FRAMEWORK

25 June 2021

#### Background

On 23 June 2021, the Department of Telecommunications (DoT) issued the Revised Other Service Provider (OSP) Guidelines (Revised Guidelines), in supersession of the New OSP Guidelines that were released on 5 November 2020 (Old Guidelines).

The Revised Guidelines define an OSP as an entity that provides voice-based Business Process Outsourcing (BPO) services to customers located world-wide, including in India. Voice based BPO services means call centre services, where customers access the network of OSP through public switched telephone network (PSTN). The distinction between international and domestic OSP in the Old Guidelines has been done away with.

One of the objectives of the Revised Guidelines is to ensure that toll-bypass does not take place. Toll bypass means transmission of PSTN calls, be it between India and foreign country or between two cities in India, using own network of an OSP. It appears that "own network" referred to in the definition, means a private network like MPLS. The definition of toll bypass and the dispensations explained below should ideally be read harmoniously, although no such indication is provided by DoT.

An OSP centre means a location in India where infrastructure of an OSP is placed. This is a very important definition. In case EPABX is not installed in an OSP centre, the remote access to all CDRs, system logs, configurations of EPABX have to be made available to DoT from an OSP centre in India.

#### **Dispensations for OSPs**

Under the Revised Guidelines, OSPs have been provided certain exemptions from general telecom regulatory requirements and it will be important to understand them. These are as follows:

- Transmission of incoming PSTN calls: With respect to incoming calls on PSTN to an OSP, any wide area network (WAN) technology may be used to transmit the call between different OSP centres. Further, any WAN technology for transmission of calls between OSPs can be used. For the first time in addition to MPLS, SDWAN over MPLS has been used to explain WAN.
- Transmission of aggregated PSTN calls: This dispensation refers to aggregating both incoming and outgoing PSTN calls at the PoP (a location where an OSP)

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places equipment like EPABX) and transmission over WAN to any one OSP centre "*in India*" or further between other OSP centres over WAN. With respect to incoming calls this is aligned with the point explained above. Perhaps the reference to PoP is a foreign PoP. Under the Old Guidelines, a similar provision was set out for international OSPs, which did not clarify if MPLS can be used for both incoming and outgoing calls, or just for incoming calls.

- Interconnection between OSPs: Interconnection between voice calls of two or more OSP centres is permitted. It is not necessary that OSPs should belong to the same entity or both OSP centres should be domestic or international, as was the case earlier.
- Working from Home/Anywhere: Remote agents working from home/any other location can connect to an OSP using any technology including broadband. It is not necessary that PPVPN or any other secured VPN is used as was the case earlier.
- Centralised internet connectivity: Centralised internet connection can be obtained by an OSP and different OSP centres can access internet using MPLS, provided the OSP centres belong to same company or group of companies.

#### Foreign EPABX and Distributed Architecture for EPABX

- Foreign EPABX: The Revised Guidelines have permitted EPABX at foreign locations for OSPs. Although there is no distinction between international and domestic OSPs under the Revised Guidelines, this provision will have to be read in line with telecom regulatory requirements in India related to transmission of domestic calls outside India.
- Distributed architecture of EPABX:
  - With respect to distributed architecture, the requirement for an OSP centre to own the EPABX has been retained. However, liberty has been given to place the OSP's EPABX in a third-party data centre in India.
  - In addition to the above, a big takeaway from the Revised Guidelines is that EPABX services from telecom service providers (TSP) can also be availed by OSP. This suggests that EPABX hosted with TSPs will be allowed. Notably, the guidelines are still silent on the use of cloud based/hosted contact centre services by entities which are not TSPs. Although it may be too early to comment on this aspect, it appears from the Revised Guidelines that for providing EPABX services to OSPs from India, non-TSP entities will have to either tie up with a TSP or become a TSP themselves by applying to DoT for a license. Basis the Revised Guidelines, TSPs seem to have an advantage over non-TSP EPABX service providers in India.
  - <u>Use of centralised media gateway</u>: For receiving incoming PSTN calls, OSP centres can maintain a <u>centralised</u> media gateway. However, this will not be permitted for OSPs which make outgoing PSTN calls. This seems to tie up with the dispensation for incoming calls discussed above.

#### Work from home

As was the case in the Old Guidelines, the Revised Guidelines still require a remote agent to connect to the OSP centre, which can be over broadband (wirelines or wireless). Therefore, it can be said that connection of a remote agent through mobile network i.e. PLMN will not be permitted. However, it is now permitted that the OSP agent can also directly connect to the centralised EPABX or EPABX of the OSP or even EPABX of the customer. The permission to connect to the EPABX of customer could be to avoid double hopping. However, remote access to CDR, system logs and EPABX configuration are required at one of the OSP centres.

#### Comment

It is commendable that DoT has issued the Revised Guidelines barely within 7 months of the last revision in November 2020. This reinforces the DoT's intent to support the cause of ease of business. To accommodate the industry demands, instead of publishing FAQs, DoT has released these new guidelines, which in a way has led to further liberalisation. There is clearly an effort to further simplify the OSP framework by defining important terms including voice based BPO services, toll bypass, CDR/UDR, System logs.

That said, some definitions (like that of 'toll bypass') could have been further simplified by adding some illustrations and examples. Further clarity on issues such as use of cloud/hosted contact centres and placement of EPABX outside India for domestic call scenarios would be beneficial for the industry.

It will be interesting to watch this space as in due course it is expected that new concepts and models will emerge for OSPs.

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