Telecom regulations and data protection

Why in news?

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Reliance Jio has announced a plan that could disrupt the telecom landscape by challenging existing price points.

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What is the status of Indian telecom?

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- A billion connections issued so far.
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- 350 million subscribers estimated to have smartphones.
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- India had surpassed the US to become the second largest smartphone market in the world.
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- Airtel is the leading Private sector telecom provider, RJio will overtake it soon.
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- Telecom Regulatory Authority of India is the regulator of telecommunications in India.
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What are current issues of Indian telecom sector?

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- India's Internet adoption rate remains the lowest in the Asia-Pacific region with 422 million subscribers.
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- A large chunk of them access the Net through smartphones.
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- 500-550 million Indians use feature phones that offer no data services.
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- Though smartphone and data costs are declining in India, they are still too high for most.
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- There is need for the government to rationalise the multiple statutory levies on telecom service providers, which have been flagged as major stress points for the sector.
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What are the issues with new RJio Plan?

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- RJio within 10 months of operation, has 125 million customers.
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- By its new plan, for a refundable security deposit of Rs. 1,500 and a tenth of that as monthly charges, it plans to give away free feature phones that will support 4G services.
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- This phones can be returned after three years.
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- Jio's proposition of connecting the phone to the television has affected the stock prices of direct-to-home service providers.
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- RJio moves are felt to be against competitive pricing and the plan is discriminatory in bridging digital divide
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- Many users have a doubt about that data security, since recently Jio's server has been hacked.
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- Many providers feel that such plans would make them bankrupt and increase their NPA.
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What measures can be taken to address the issues?

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- Cheaper phones as well as data are essential to bring online the next 100-200 million people.
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- Government should encourage cheap providers and ensure that such plans are reaching the user with net neutrality.
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- Other telecom providers also need to introduce such plans for healthier competition and Quality of service.
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- The government should make sure the data of the users are safe.
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- The merits of China's cyber security law that requires tech firms to store all relevant data of local users within its sovereign borders.
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- A strong new law should protect users' data and govern uneven agreement clauses set by service providers.
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Source: The Hindu

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