TRILEGAL

New Guidelines for Other Service Providers (OSPs)

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This update covers:

On 23 June 2021, the Department of Telecommunications (**DoT**) released revised guidelines for Other Service Providers (**New Guidelines**), which further simplify and supersede the guidelines issued on 5 November 2020 (**2020 Guidelines**).

The Other Service Providers (**OSP**) framework had undergone a progressive overhaul with the release of the 2020 Guidelines last year. The 2020 Guidelines limited the applicability of the OSP framework to only 'voice based business process outsourcing (**BPO**) services', and did away with many onerous obligations such as the need to obtain a registration and furnishing a bank guarantee. Other relaxations in relation to infrastructure sharing, interconnection of OSPs, and work from home were also introduced. Our update on the 2020 Guidelines can be accessed here.

In this update we summarise the key changes introduced by the New Guidelines.

> In a boost to the ease of doing business, the DoT has released revised guidelines for OSPs which clarify several existing issues and further liberalise the OSP regime.

1   New definitions

While the 2020 Guidelines clarified that the OSP framework applied only to entities providing voice based BPO services, there was still uncertainty regarding what constituted such services. The New Guidelines define *'voice based BPO services'* to mean call centre services provided by OSPs to customers both in and outside India, where calls are made by or to a customer through Public Switched Telephone Network (**PSTN**)/ Public Land Mobile Network (**PLMN**)/Integrated Services Digital Network (**ISDN**) (**Public Network**). This is a significant change from the previous regime which sought to regulate both Public Network and Voice over internet protocol (**VOIP**).

Another important definition introduced is that of *'toll bypass'*. Though historically, OSPs have been prohibited from causing toll bypass, the lack of definition led to inconsistent positions with respect to the implementation of various call flow structures across the industry. The New Guidelines define toll bypass to mean the illegal carriage of voice calls between Public Network (a) at the domestic end in India and a foreign country; or (b) of two cities in India, by using the OSP's own network, as opposed to the network of the authorised Telecommunications Service Provider (**TSP**). The reference to 'own network' could be interpreted to be a private network like Multi-Protocol Label Switching Virtual Private Network (**MPLS VPN**)/ broadband/ leased line of the OSP within the public network. The restriction is in line with the DoT's intent to limit the OSP framework to the use of the Public Network and its interaction with the OSP's network.

2   Relaxations

2.1   Registration and scope

The 2020 Guidelines had removed the requirement of obtaining registration with the DoT for OSPs. Additionally, the New Guidelines have done away with the distinction between domestic and international OSP centres. This allows a single call centre to service both international and national customers. This is likely to reduce costs for businesses as it will do away with the need to maintain separate infrastructures for domestic and international calling.

Additionally, only entities that provide voice based BPO services are regulated under the New Guidelines and therefore, entities whose operations are entirely data based, such as those providing customer support through IP to IP calls, will not be regulated under the New Guidelines.

2.2   Interconnection between OSPs

Earlier, interconnection was only permitted between two domestic OSPs or two international OSPs of the same company or group companies. Interconnection between international and domestic OSPs was not permitted. Now that the distinction between domestic and international OSPs has been removed, there are no restrictions on interconnection between international and domestic OSPs under the New Guidelines. Interconnection of voice calls with unrelated companies is also permitted. However, voice interconnectivity for internal communication (i.e. within a Closed User Group) is only permitted among OSPs for the same company or group companies.

Further, under the 2020 Guidelines, interconnection of OSP centres was only permitted using leased circuits and MPLS VPN. Globally, the BPO industry has moved on to newer technologies such as Software-defined Wide Area Network (**SD-WAN**). Allowing Indian BPOs to avail and benefit from new technologies, the New Guidelines now permit OSPs to interconnect using any wide area networking (**WAN**) technology over National Private Leased Circuit (**NPLC**)/MPLS VPN, such as SD-WAN.

Therefore, OSPs can now, provided they do not engage in toll bypass, (i) collect, converge, carry and exchange incoming PSTN/PLMN/ISDN traffic between different OSP centres in India; and (ii) carry aggregated switched voice traffic (incoming or outgoing) between its point of presence (**POP**) and their OSP centre in India, using any WAN technology over International Private Leased Circuit (**IPLC**)/ NPLC/ MPLS VPN.

Under the 2020 Guidelines OSPs were permitted to obtain a centralised internet connection and allow different OSP centres that belong to the same company or group of companies to access this internet using NPLC/MPLS VPN or SD-WAN (over NPLC/MPLS VPN) (as compared to any WAN technology). This permission

continues to apply under the New Guidelines. Such internet must however be obtained in India from an authorised TSP.

2.3 Foreign EPABX

Since the distinction between international and domestic OSPs has been removed, all OSPs (including domestic OSPs) are now permitted to have their Electronic Private Automatic Branch Exchange (**EPABXs**) at foreign locations. This move is expected to benefit companies who want to use their global EBAPX for domestic operations in India and will help OSPs to procure EPABX services from global vendors thereby enabling access to cutting edge telecommunication technology.

2.4 Distributed architecture

OSPs are still required to own their EPABX while establishing a distributed architecture, i.e. with the main EPABX situated at a centralised location in India and media gateways located at the various OSP centres across India. The New Guidelines however permit OSPs to place EPABXs that they own in a third-party data centre in India. Alternatively, OSPs are also permitted to obtain EPABX services from TSPs. Ownership of EPABX as a concept was introduced in 2020 Guidelines and has been further clarified under the New Guidelines as self-owned.

2.5 Work-From-Home

The 2020 Guidelines provided multiple relaxations in relation to work from home (**WFH**)/ work from anywhere (**WFA**), and did away with onerous obligations such as the requirement to procure a TSP provisioned VPN. The New Guidelines further relax these requirements and permit OSP agents working from home (i.e. remote agents) to connect to the OSP centre using any form of connectivity. Remote agents can also directly connect to the centralised EPABX of the OSP, or the EPABX of the OSP or customer.

2.6 Security Conditions and Inspection Reporting

The 2020 Guidelines required OSPs to maintain Call Data Records (**CDR**), User Data Records (**UDR**) and system logs for all calls made for a period of one year. These were to be maintained at an OSP centre in India if the EPABX was based outside India. This requirement has been retained. Along with this, the requirement to provide remote access of all CDRs/ system logs/ configurations of EPABX and routing tables, if the EPABX is installed at a location different than the OSP centre, has also been retained.

The New Guidelines clarify what exactly CDRs, UDRs and System logs are required to contain. CDRs and UDRs must contain details such as the calling number, called number, date, start time, end time/ duration, identity of the device used in making the call, user identity initiating the session, MGW identity/ soft-switch ID, trunk ID, etc. System logs must include user/login identity, date and time of login and logout, commands/activities performed and the response to them. The CDRs must also be segregated for each OSP centre.

In respect of the sharing mechanism, the New Guidelines clarify that there is no requirement to make any filings or report any information to the DoT on a routine basis. Further, no audit/inspection will be carried out by the DoT of the OSP centres. The DoT may however, request OSPs to submit information in relation to customer calls maintained by them.

The changes introduced by the New Guidelines not only provide clarity but also further liberalise the regulations applicable to the BPO industry and are expected to make India a more favorable destination for outsourcing.

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