DoT/TRAI Regulations

Provisioning of Telecommunications Services in India is governed by the <u>Indian</u> <u>Telegraph Act, 1885 ("Act")</u>. This Act governs the setting up of telecommunications network and the use of telecommunications services in India. The Act also prohibits anyone from providing, running or maintaining a telecommunication network in India without a valid license issued by the Department of Telecommunications, Government of India.

The services provided by Pioneer Elabs Limited as a licensed service provider to a customer in India cannot be resold by the customer, since such resale would constitute running a telecommunication network in India without a license and would be punishable by a fine and imprisonment. In such a case Pioneer would also be held responsible for abetting such illegal practice. There are national security concerns since illegal telecommunications network operators would not be subject to security monitoring as the licensed operators are.

Leased line services are the critical infrastructure and have a potential to be used for illegal telecommunications network and services. Therefore, the use of leased line is strictly regulated.

Connecting a leased line to public network is prohibited

The Indian Telegraph Rules, 1951 prohibit interconnection of a leased line to the public telecommunications network, such as Public Switched Telephone (PSTN), Integrated Services Digital Network (ISDN) & Public Land Mobile Networks. Carrying of traffic from Private Network to Public Network and vice versa results in a flow of unmonitored traffic from a private network to the public network bypassing the authorized gateways and can thus result in a security threat to the nation.

Leased Lines can be connected to create a Private network between company offices for exchange of voice and data to facilitate Inter Office Communications. Leased lines can also be connected to an EPABX to facilitate voice and data traffic from user desks to facilitate genuine users provided the private voice and data traffic is completely isolated from the public voice and data traffic through Logical Partitioning feature available with most advanced EPABX.

The telecommunications services cannot be used for carrying objectionable, obscene, unauthorized or any other content, messages or communications infringing copyright & intellectual property in any form.

Under the rules governing telecommunications in India, the customer is obliged to provide, without any delay, access to authorized officers of Service Provider, Department of Telecommunications, Intelligence Department officers when such access or information is required for investigations or detection of crimes and in the interest of national security.

The use of the network for anti-national activities would be construed as an offence punishable under the Indian Penal Code or other applicable laws. The networks cannot be used in such a manner as to endanger or make vulnerable a networked infrastructure. Acts such as break-ins or attempted break-ins of Indian networks shall be regarded as an anti-national act and shall be dealt with in accordance with the Indian Penal Code.

A lease line customer needs to maintain a complete network diagram, of the private network set up, at each location where a leased line is terminated along with details of connectivity available at the site. The same should be made available on demand at the time of inspection as required by law.

The above information is for the purpose of giving an overview to the readers and cannot be in any manner construed to be exhaustive description of the restrictions under the Act, applicable Rules and licenses.

List of useful sites for information on Indian Telecommunications Regulations

http://www.dot.gov.in

http://www.trai.gov.in

http://www.trai.gov.in/telegraphact.asp

http://www.dot.gov.in/vtm/vtm.htm