

NASSCOM REITERATES ITS POSITION ON NET NEUTRALITY

New Delhi, January 04, 2016: The National Association of Software and Services Companies (NASSCOM) today shared its perspectives on issues concerning Differential Pricing for Data Services stating that the matter needs careful consideration because of its possible impact on the principles of Net Neutrality.

Reiterating its earlier position, NASSCOM outlined that any tariff plan should ensure unfettered right for the customer to choose, allow innovation without permission, and have no differential data charges for different apps. **Mr Sanjiv Bikhchandani, Chairman, NASSCOM Internet Council** said, “Differential pricing should not become a tool that facilitates market dominance or enables anti-competitive behavior by either TSP or platform provider. It should not offer direct or indirect commercial benefit including leveraging the value of customer data generated in the process. Further it should not offer lower prices for own or partner content/ service. Instead of differential pricing for select data services for wide access, transparent business models should be adopted without segmenting the internet or skewing competition”.

Presently, India is characterized by low Internet and broadband penetration. Additionally there are challenges of low levels of digital literacy and limited local language support/ content in a country wherein less than 10% of the population speak English. These monumental challenges require continuous innovation, both in technology solutions and business models.

Sharing the recommendations, **Mr. R. Chandrashekar, President, NASSCOM**, said “We reiterate our firm commitment to Net Neutrality that guarantees users rights to unfettered choice of content and to the creation of a conducive environment for continuous innovation. We strongly oppose any model where TSPs or their partners have a say or discretion in choosing content that is made available at favourable rates, speed etc. We recognize that in India there is an obvious need for collective, concerted and focused efforts to enable relevant content, services or access and to overcome the digital divide. It is therefore important that the regulator should have the power to allow differential pricing for certain types/ classes of services that are deemed to be in public interest and based on mandatory prior approvals. Any such programs should abide by the principles of net neutrality and not constrain innovation in any way.”

Accordingly, any differential pricing programs including proposals by TSPs and their partners should have explicit directives / approval of the regulator and deemed to be in public interest. The onus of proving the larger public good arising out of such proposals should be on the TSP and its partners. Such proposals should be subject to a wider public consultation by the regulator before arriving at a final decision. With lack of stringent privacy laws in India and the high commercial value attached to user information, it is important that differential pricing plans are vetted carefully by the regulator.

NASSCOM further proposes that even after requisite approval, a suitable oversight mechanism should be put in place to check that the TSPs continue to abide by the principles of net neutrality. For this, NASSCOM recommends establishment of an independent not-for-profit entity with an independent

NASSCOM®

board, who would own and manage proposed differential pricing programs that are deemed to be in the public interest and are philanthropic in nature.

NASSCOM has put together its recommendations building on its earlier submission after consulting various stakeholders in addition to its members, startups and mobile app developers including leaders from Facebook as well as the Save the Internet – to understand varied perspectives and create a balanced viewpoint.

About NASSCOM

NASSCOM® is the premier trade body and the chamber of commerce of the IT-BPM industries in India. NASSCOM is a global trade body with more than 1800 members, which include both Indian and multinational companies that have a presence in India. NASSCOM's member and associate member companies are broadly in the business of IT services, software products, consulting services, BPM services, e-commerce, ER&D and gaming. NASSCOM's membership base constitutes over 95% of the industry revenues in India and employs over 3.5 million professionals.

For further information please contact:

Kavita Doshi NASSCOM + 91 11 23010199 kavita@nasscom.in	Shilpa Narani Rudra Bose NASSCOM India Press Office - Genesis Burson-Marsteller +91 9873301657 +91 9811626585 shilpa.narani@bm.com rudra.bose@bm.com
---	--