



**ITU-APT/L/23-24/910**

**Date: August 14,2024**

**To,**

**Shri Jyotiraditya Scindia**

**Hon'ble Minister of Communications and Development of North Eastern Region**

**Sanchar Bhawan**

**New Delhi-110001**

**Subject: IAFI's recommendation for Delicensing of Captive 5G networks under Service Authorisations to be Granted Under the Telecommunications Act, 2023.**

Dear Shri Scindia Ji,

Thanks for sparing your valuable time and meeting with me and ITU-APT Foundation of India (IAFI) officials on 29<sup>th</sup> July 2024. As discussed, I am updating you on some of the key issuing impacting manufacturing in India.

To begin with, I would like to extend our sincere appreciation for the proposed changes introduced in the Telecom Act 2023, and we commend the Ministry for addressing long-standing issues in the telecommunications sector through this progressive overhaul. IAFI strongly supports the Government's efforts to modernize and streamline the licensing provisions for telecommunications services, a much-needed transformation from the traditional licensing system established under the Indian Telegraph Act of 1885. These changes mark a significant step forward in enhancing the efficiency and effectiveness of our telecommunications framework. However, as we continue to transition towards a more robust and future-ready telecommunications landscape, IAFI believes that certain critical areas require immediate attention, particularly concerning service authorizations for captive networks.

The deployment of captive and private 5G networks is poised to revolutionize the Indian industry and economy by offering tailored connectivity solutions that enhance efficiency, security, and innovation across various sectors. Further, private 5G networks enable advanced industrial automation, crucial for sectors like manufacturing, mining, and logistics. These

networks support real-time monitoring and control of machinery, leading to increased operational efficiency and reduced downtime and thus support increased exports and manufacturing competitiveness.

Traditionally, the Department of Telecommunications (DoT) has issued captive network licenses to Industries, enterprises, and government agencies, such as the police and metro services in order to support their own frequency usages. However, with the delinking of frequency spectrum authorizations from licensing under the new Telecom Law, the need for any separate authorizations for captive use does not exist any longer . Such Captive usage is akin to WiFi networks used in households for captive purposes and lacks commercial value.

Dedicated CNPN networks for specific enterprises or industries offer customized capabilities that address unique operational needs, such as:

- Captive and private 5G networks significantly bolster India's push towards digital transformation across industries, supporting the integration of emerging technologies such as the Internet of Things (IoT), artificial intelligence (AI), and augmented reality (AR).
- security and data privacy are paramount for industries dealing with sensitive information. Private 5G networks provide a controlled environment where data traffic is confined within the enterprise, significantly reducing the risk of cyber-attacks and data breaches.
- deploying captive and private 5G networks will stimulate economic growth and create jobs in India by enabling new business models and services, attracting investments, and fostering innovation and help in bridging the Digital Divide in India's diverse geography, including many remote and rural areas with limited access to reliable connectivity. Improved connectivity can enhance educational opportunities, healthcare access, and economic activities, contributing to overall national development.

In light of these benefits, IAFI proposes that captive networks intended for the self-use of individuals or enterprises, which involve no commercial transactions, should be exempted from authorization under the Telecom Act 2023. This approach mirrors the current exemption for WiFi networks at homes, factories, and offices and should extend to cases using licensed spectrum.

By addressing these critical areas, we believe that the Telecom Act 2023 can ensure a robust and future-ready telecommunications landscape in India, fostering innovation, connectivity, and economic growth across various sectors.

For the proposed reforms for Captive 5G and Enterprise Networks, IAFI has advocated the introduction of a new category of Class Authorization for captive networks, similar to the current unlicensed regime for home WiFi networks. In response to TRAI's Consultation Paper on the Framework for Service Authorizations to be Granted Under the Telecommunications

Act 2023, IAFI proposes consolidating all captive licenses that do not involve any commercial transactions under a single category of a Class license. This will include CNPN, Private Enterprise Networks, Home WiFi networks, inhouse IOT services in homes, factories and enterprises, etc.:

We sincerely hope that your Ministry will consider our recommendations and support the development of a conducive environment for the growth of captive and private 5G networks in India.

Thank you for your attention to this matter. We look forward to a positive response and are available to discuss these recommendations further at your convenience.

Yours sincerely,

**Warm Regards,**



**Bharat B Bhatia,**

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