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February 10, 2022

Shri K Rajaraman, IAS Secretary Department of Telecommunications

Subject: Request for extension of implementation timelines for MTCTE Phase-3 and Phase-4.

Respected Sir,

At the outset, MAIT is thankful to DoT and TEC for considering industry's request of removing the two-stage certification process for MTCTE Phase-4 products and announcing a single implementation date. This relaxation will surely help the industry to some extent; however, we would like to emphasise that the industry requires more time for compliance.

The ICT Industry, as a responsible stakeholder in India's Digital Transformation Mission, is committed to comply with all the mandatory legal requirements of the country and has strong intent to support the MTCTE regulation. However, with DoT/ TEC setting the implementation date for MTCTE Phase-3 and Phase-4 as July 1, 2022, we fear that the industry would not have sufficient time to test all the products in India and get them certified on time.

MAIT has highlighted below some of the biggest concerns that we foresee in complying with the MTCTE regulation and request your immediate support on them.

1. Insufficient implementation timeline for MTCTE Phase-3 and Phase-4: TEC, in its Amendment Notification#5-2/2021-TC/TEC/112 dated January 31, 2022, announced the implementation date for the Phase-3 and Phase 4 products as July 1, 2022. There are in total 47 product categories to be tested in India and certified by TEC before the set deadline.

MAIT collated some data from our member companies to assess the workload and compare it with the lab availability in India. We have noted that there are ~1500 models under 15 Product variants of just 7 member companies getting covered under Phase-3 and Phase-4 of MTCTE. We have also been informed that many members are still in the process of arranging the requisite samples for testing in India and it is taking longer time than usual due to the pandemic related disruptions in the Global supply chain.

As you would agree, for implementing a good governance system, it is pertinent to ensure the readiness of all the involved stakeholders. MAIT did a reality check to evaluate the lab infrastructure in the country to support the MTCTE testing requirements. We noted that currently, there is not even a single lab in the country which can perform end-to-end testing of a product against all the parameters specified by the TEC. The manufacturers are required to either arrange multiple samples to support testing at different locations or must move the samples from one lab to another to complete the testing. Either way, the industry is faced with longer testing time.

Today, there are just eight labs (located mostly in Delhi and Bangalore) for testing the Radio Frequency parameter; three labs for protocol testing and two labs for IPv4/IPv6/Dual Stack testing. Given the complexities of the products, the labs cannot just pick up a product and test it like a commodity product. Instead for each product there is transfer of knowhow and handholding between engineering and labs to get the pre-test setup done and also during conduct of tests. These practical requirements add to the pre-test/ test setup time in addition to the longer testing times. This topped with the limited capacity of labs in India is making it literally impossible to meet the current schedule prescribed by MTCTE.

Considering all the above challenges, industry fears that it is practically impossible to get all the models tested and certified within a period of just five months.

MAIT had in the past too requested DoT and TEC multiple times to give industry a minimum eighteen months for compliance. We humbly resubmit our request to your good offices to extend the implementation timeline for Phase-3 and Phase-4 products from July 1, 2022, to July 1, 2023.

Non acceptance of ILAC test reports for Technical Parameters for certain Phase-3 and Phase-4 products: TEC, via its amendment notification dated January 31, 2022, published a list of 24 products for which ILAC test reports are accepted. MAIT appreciates and thank the DoT and TEC for accepting ILAC test report for Technical Parameters for these products.

However, we are startled to see that some products of Phase-3 (7 products) and Phase-4 (16 products) are kept out of this list (Annexure II). TEC has also limited the acceptance of test reports from countries not sharing land borders with India. This will have a detrimental impact on the industry.

As you would be aware, there are no differences in the test reports issued by an ILAC accredited lab in Country A or Country B. Internationally, manufacturers have the flexibility to choose the labs they wish to work with, and we request India too to adopt the same practice. Considering the high volume of models to be tested at limited number of labs in a very short span of time, we request DOT/TEC to allow submission of ILAC test report from any country for all the Phase-3 and Phase-4 products for an initial period of eighteen months.

- 3. Limiting the test report validity to 2 years for ILAC test report: MAIT appreciates TEC's decision to extend the test report validity of TEC designated Indian Labs from 2 years to 5 years. However, TEC has limited the validity of ILAC test reports to 2 years. We request DoT/TEC to keep the test report validity of ILAC labs also same as TEC designated Indian Labs i.e. 5 years.
- 4. Product Regulatory overlap: As you would be aware, MAIT has been raising the issue of regulatory overlap between the MeitY's Compulsory Registration Scheme (CRS) 2012 and MTCTE regulation for a long time. However, we are quite disheartened to see any concrete action being taken by DoT to address this issue. The overlapping certifications only increases the compliance cost, time and effort of the industry, and do not add further value in term of the product safety or quality to the Indian customer. Further, this is counterproductive to India's EODB initiatives. Therefore, we again request your good office to de-notify the products like Point of Sales, Smart Watches, Smart Camera, Servers, Mobile phones, Cordless phones, and Conferencing equipment from MTCTE, which are also governed under the CRS 2012.

5. **Multiple issue remains unsolved**: Industry appreciate the efforts put in by TEC in responding to the industry's concerns and publishing them regularly in the form of FAQ. However, there are a few issues (like criteria for Highly specialised equipment, exemption for end of the life whole unit replacement, etc.,), where industry awaits TEC's feedback. It will be helpful, if **TEC supports the industry in resolving these pending clarifications at the earliest and release the FAQ at the earliest.**

Lastly, we would like to emphasize that it is extremely important for us to develop a light-touch, consistent regulatory framework which remains consistent with time. Uncertainties, bureaucratic hurdles and unrealistic timelines erode the confidence of Global investors and diminishes India's efforts to improve the ease of doing business significantly. MAIT appreciates your kind consideration of our comments and requests related to the onerous regulatory burdens. We look forward to an opportunity to further discuss and share industry views to facilitate an effective regulatory framework in India.

With regards,

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George Paul

Chief Executive Officer

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