

Internet in India to be opened up soon

In a significant decision, the Indian Telecom Commission has decided to open up the Internet to private service providers. This move will virtually end the monopoly of Videsh Sanchar Nigam Ltd. (VSNL), as the sole commercial Internet Service Provider (ISP) in the country. The new Internet Policy, which is to be announced soon, envisages about 1.5 million subscribers in one-and-a-half years - a 15-fold increase over the existing base. There is no ceiling on the number of ISPs.

The most significant part of the policy is that the service providers will be charged normal commercial rates for leased lines. Currently, electronic mail providers and private data networks in India are charged twice the normal rates. It has also been decided that the new private ISPs will not be required to pay a license fee for the first two years.

Over 60 companies have already expressed interest in being ISPs. Among those who applied to the Department of Telecom (DoT) for license are Telecom majors like AT&T, British Telecom, MCI, Motorola and CompuServe. Others in the fray are Wipro BT, Sprint RPG, Datapro, lenet, HCL, Fujitsu, ICIM, Satyam Infohighway, Allent Technologies, Bharti Telecom and state owned CMC. Other companies like Microsoft, PCL, IBM, Infosys and Tata Infotech are also said to have evinced interest.

VSNL will cease to exist as an ISP and all its existing Internet subscribers will be transferred to the DoT. VSNL will however continue to be the sole international gateway for both the DoT and private ISPs.