PSA
LEGAL COUNSELLORS

SEBI AND RBI WILL ALSO GET ACCESS TO CDR

Home   →   SEBI and RBI will also get access to CDR

June 2013

Now, SEBI and RBI will also get access to CDR so that they can keep a vigil on the economic offences including insider trading. According to section 92 of the Criminal Procedure Code, only police has the authority to access CDR based on a FIR. Therefore, government is considering bringing some amendments in the Indian Telegraph Act. It has been mooted that in order to access CDRs from the telecom service provider some other means like mandatory authorization by home secretary or joint secretary in the home ministry should also be introduced.

PSA view – In 2011, SEBI had warned investors about investing based on SMS tips, blogs, messaging service or forums and approached the telecom regulatory authority of India to put a ban on unsolicited stock tips over such mediums. Now, SEBI also wants to have a guideline on the usage of social media, like facebook or twitter by companies to check stock market tip offs that could impact the stock prices before official announcements.

Government plans to do away with FDI limit in telecom sector

The talks are in process and the verdict should be out by the end of this month or early next month regarding 100% FDI being permitted in telecom sector. Once the change is brought about foreign companies will be able to own 100% stake in telecom companies as opposed to the present limit of 74 %. This development, if materializes, will be very significant as FDI in telecom sector has dipped massively. The poor response by the various foreign companies was also reflected in the November and March 2G auctions.

PSA view – The foreign companies investing in telecom sector face problems with regard to regulatory uncertainties, retrospective tax demands and one time spectrum auction which have proved as deterrent for investments. The discussion to do away with the FDI limit and allow 100% foreign investment will be perceived as a boost to the telecom sector which is under severe pressure to increase revenues and profitability.

India gets ready to set up cyber snooping agency

India will soon be setting up a federal internet scanning agency called NCCC to spy all internet accounts and online data. NCCC is to monitor cyber security threats and inform concerned law enforcement agencies for proactive action to prevent crime. NCCC will collect and integrate internet traffic data from different gateway routers of major ISPs at a centralized location for analysis. NCCC would be set up at a cost of INR 10 billion and all top government spy and technical agencies including Department of Telecommunication, Intelligence Bureau, Research and Analysis Wing, Indian Computer Emergency Response Team, Army, Navy, Air force,

PSA View – In the present internet era, cyber attacks are on an increase and pose as a huge threat to the safety and security of the nation. Recently, Central Bureau of Investigation's website had been defaced by hackers and in another case attempts were made to break into Indian Railway Website. Therefore, NCCC is need of the hour and a step in the right direction to address the shortcoming in the cyber security.

National roaming gets cheaper

TRAI reduces national roaming tariff ceilings. The reduced rates will become effective from July 1, 2013. The pre-paid consumers can avail the benefit through Special Tariff Vouchers and Combo Vouchers whereas the post- paid consumers will have customised plan. The customised roaming plans will provide the subscribers with two options. Firstly, rental free roaming plan where incoming calls are charged and secondly fixed charge roaming plan where incoming call is free. TRAI has also recommended "special plans" for roaming subscribers under which they will have option of partially free or fully free roaming in lieu of the fixed charges. Thus, as per TRAI, new tariff change in roaming is consumer centric from perspective of cost and flexibility.

PSA View – Free roaming is a global phenomenon but its implementation in India is a challenge. Undoubtedly, the new ceilings on roaming rates bring respite to the customers from burden of roaming charges to an extent as well as provide flexibility to choose such a plan. However, in view of the fact that in India, only a small segment of population is using roaming facility, the big question remains as to who will bear the burden of the slashed tariff rates. The speculations are high that the changed tariff rates may transfer cost burden to subscribers asking them to pay enhanced tariffs on local calls. Therefore, the present step of slashing roaming rates is bringing government towards its goal of one nation one license policy but the same is yet to stand the test of satisfaction from service providers and consumers.

India faced fourth highest number of phishing attacks globally in April, 2013

India which has about 137 million Internet users, accounted for 8% of the total phishing attack worldwide in April 2013, after the US, UK and South Africa. When it comes to phishing attacks on brands, India stood at the third spot after US and UK. Although the total number of attacks is often tricky to predict, some seasonal trends do repeat every year such as the holiday shopping season when a rise in phishing is almost expected. Though India is an information technology superpower, but it owns official cyber security workforce comprising mere 556 experts deployed in various government agencies. The government has decided to recruit 4,446 experts to be deployed in the Department of Electronics and Information Technology, the Department of Telecom, the National Technical Research Organization, the Ministry of Defence, the Intelligence Bureau and the Defence Research and Development Organization.

PSA View – It is to be noted that all major countries have established mechanisms and organizations dedicated to cyber security, a field where India fares poorly. The government is also coming up with a legal framework to deal with cyber security and the National Security Council Secretariat presently engaged in creating an elaborate Cyber Security Architecture. However, India has to also concentrate on the research and development activities related to this sector.

Neeraj Dubey

Krishna Jhala

Krishnakanth

Jyoti Srivastava

Sathish Kumar

in

SITEMAP | CONTACT US