

January 26, 2016

To
Shri Narendra Modi
Prime Minister of India

Honourable Prime Minister,

We are entrepreneurs and stakeholders of the Indian startup and digital entrepreneurship fraternity. In the wake of the important messages made by you on helping drive forward a Startup India, and on the occasion of the Republic Day celebration of our nation's commitment to democracy, we are writing to you seeking your continued support for Net Neutrality.

We wish to start by congratulating you for the excitement around your government's initiatives, particularly programmes like Digital India and Startup India, and on improving the ease of doing business. It is our hope that these programmes act as stepping stones to a future where India can lead the world as a creator and innovator, with all of our citizens having access to the opportunities made possible via the open Internet. We are hopeful to see your initiatives evolve into a realisation of the grand vision, and pledge our support to these initiatives and to the efforts in these areas by our fellow citizens.

We want to reiterate a few well understood and accepted points:

- India has been one of the fastest growing economies because of the existence of free markets and efforts to support the entrepreneurship of our people;
- The open nature of the Internet allows every individual – whether currently online or likely to get connected to it in its current form – to be a creator and innovator by their own free will and choice;
- Every segment of our nation's society and industry stands to benefit by being connected to an open Internet.

In this vision to catalyse our growth, we appreciate the goals you have put forth in the form of the Digital India initiative, with the most fundamental goal being penetration of the Internet to every individual through the vast expanse of our country.

Keeping in mind the fundamental importance of the above points to our abilities to solve the problems of tomorrow, we urge you to ensure that the recently announced initiative, Startup India, addresses the concern of Net Neutrality, with clearly defined policies and firm rules. All the undersigned emphasise that we share a common concern about discriminatory practices that harm an open Internet and our ability to innovate – particularly differential data pricing, prioritisation, and throttling.

A lot has been said already, so we'll restrict our focus to the critical points:

1. The aspirations of our youth and the solutions for our future

The implicit assurance of the democratic open Internet in its current form is that our youth can innovate without permission from anyone or any entity. The scope of these solutions that our entrepreneurs will create is not limited to any one segment, and should be accessible by their beneficiaries openly and freely.

Any violation of Net Neutrality will invariably deny our populace – and even the world – the opportunity to have unbiased access to the solutions that our talented entrepreneurs are devising. The aspirations of our youth to solve our problems show great promise, but need to be protected and nurtured for the sake of our future.

2. Assuring a neutral Internet

The definition of Net Neutrality has evolved for over a decade, in sync with the technological and economic structure of the Internet. To best match its current state, particularly in India, the following definition was adopted by the global net neutrality experts and the SaveTheInternet.in Coalition¹:

Net neutrality requires that the Internet be maintained as an open platform, on which network providers treat all content, applications and services equally, without discrimination. This includes ensuring that network providers do not supply any competitive advantage to specific apps/services, either through pricing or Quality of Service.

We endorse this definition and speaking in its purview, we seek that the Government of India act under your leadership to protect the neutrality of Internet access in our country.

Vested interests have tried to mold public debate on Net Neutrality as pitting those who support Net Neutrality against those who advocate providing access to the masses. This is pure propaganda with no basis in reality. Providing access to the poor was and is a heartfelt wish of our nation, but we must not let it be exploited to our collective detriment. Net Neutrality and the provision of Internet access to those who cannot afford to pay for it can and must co-exist.

The Internet is not a marketplace where government licensed access providers are allowed to act as gatekeepers choosing what the citizens of our nation can access and on what terms; it is a neutral platform. We should be wary of allowing it to be sliced up via differential pricing which, in the long run, will only increase costs and decrease access to content – impacting the poor more than anyone else.

¹ From the Global Net Neutrality Coalition's expert definition (available at <http://www.thisisnetneutrality.org>) and the definition provided by Prof Vishal Misra (Columbia University; summary available at <http://peerunreviewed.blogspot.in/2015/12/what-is-definition-of-net-neutrality.html>)

3. Threats to Net Neutrality are a threat to the Internet

The Internet is more than telecommunications infrastructure. It enables a free marketplace of ideas, allowing the best idea to win. The introduction of differential pricing for the access of different websites, applications or platforms in the form of zero rated services, even with the best of stated intentions, will open a Pandora's box in the form of precedent for further commercial zero rated services at the discretion of telecom companies. The resulting overheads an entrepreneur will have to face are:

- Compliance with the technical requirements of the different service providers for different market segments, which will form technical and financial hurdles.
- Separate negotiation of fees with different service providers, which will form financial and human resource hurdles.
- Breach of privacy of user data (without which differential pricing is not technically feasible) which could be misused in various ways.

None of these overheads exist on today's open and free Internet, where *anyone* can make web and mobile products, and *anyone* can consume them.

4. Permission-based systems destroy innovation

In the past, similar entrepreneurial overheads completely destroyed the innovation potential of mobile content consumption via MVAS (Mobile Value Added Services). Despite India being the largest mobile subscriber base in the world, it failed to capitalise on MVAS services due to the exploitative and deceptive billing practices of telecom companies. In the MVAS debacle, consumers got the worst possible deal and content providers got no freedom.

The other effect of differential pricing is concentration of exploitable power. The recent attempt by a large social networking company to influence policymaking in its favour would have had far more serious consequences if Internet users were cut off from opposing viewpoints.

5. India loses if Net Neutrality rules are not adopted urgently

The most detrimental impact of a differential pricing regime would be on our citizens, who will not get access to the best solutions that the country's entrepreneurs will devise for them. Moreover, it will have a domino effect on the performance of our nation's startup ecosystem and therefore on our potential for economic growth.

We have turned to you because we believe that the PMO should come out strongly in support of safeguarding of the principle of Net Neutrality. We must not let the misdirection and private interests of large incumbent telecom or online service companies undermine the digital rise of Startup India – and must push back against their efforts to frustrate the clear rules on net

neutrality that we all need. India should not be a target for digital colonization or gatekeeping over our citizens, but instead a significant hub powering the global Internet.

What we decide in the next few weeks will have lasting effects; it will shape the trajectory of our future. We urge you to issue a statement and ensure that all wings of the Government of India and relevant public agencies act to protect net neutrality.

Signed,
Stakeholders of the Indian Startup Fraternity
(Signatures attached herewith)