

Rise of VoIP Technology in India





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Ever since the Government of India allowed un-reregulated use of VoIP it now has millions of users turning to this new technology to connect with people across the globe. The cheaper connection has made it easy for businesses and individuals to reach across to people without breaking their bank. Despite other limitations, it is estimated that more than 50 percent of all international/long-distance calls from India are made over the internet.

According to a survey by iLocus, by 2007, about 70 percent of all long distance calls were being made through Internet Telephony or Voice over Internet Protocol (VoIP). “Despite key policy issues that need urgent redressal, the quality of service would definitely improve, with proliferation of broadband. This would go a long way in getting more people to use Internet Telephony,” said Mr. Jasjit Sawhney, CEO, Net4India, one of the leading Internet Service Providers in the country. Although there are better prospects in the enterprise market, the government has restricted it for a closed user group. Some of the major institutions using this service for internal communications include Infosys and Wipro. Some call centers are also shifting their backbone to VoIP platform.

“VOIP or IP telephony, as a concept, has matured significantly in the last couple of years with the technology evolving into a more robust and stable platform to deliver superior levels of service. The technology and its applications have developed as the direct result of a previously latent market demand for open standards and value-added services — while also delivering cost advantages”, says Mr. Mathew Varghese, principal consultant, Cisco Systems India. Cisco provides IP-based hardware and software solutions for enterprises like IP phones, specific data networks and gateways.

An individual user in India can use this service with a PC and an Internet connection and is restricted to make calls outside the country. Due to low PC penetration in India, the number of callers is limited. The Internet Telephony market is also dominated by “grey callers” because of loopholes in government policies. Due to various governmental impositions on Internet Service Providers (ISPs), the grey market has come into play and around 60 per cent of all long-distance calls made are from the grey market. The government should further deregulate the market and allow phone-to-phone telephony through the net, and also consider change inter-country long-distance calling rules for ISPs. This is one communications revolution that is waiting to happen.

According to a market research group, India is the second largest market for VoIP services in Asia, after China. The Indian IP Telephony market is expected to register an average of 60 percent more over the next 3-5 years. Some spin offs of using Internet Protocol include convergence of communication needs like voice, video or data on a single platform bundle.

