

Ref. CUI: A/04-22  
Dated: 22nd July 2004

**Chairman,**  
**Telecom Regulatory Authority of India,**  
A 2/14 Safdarjung Enclave,  
New Delhi 110 029.

Subject: Response to TRAI consultation paper 11/2004 on Spectrum.

Dear **Shri Baijal,**

We congratulate the TRAI for timely coming up with a consultation paper on Spectrum related issues.

Whereas, the spectrum is a natural resource and the government as a custodian of the same has an expert regulator as the TRAI to take the best of decisions securing national and public interest. In such macro issues of highly technical nature, we the end users are concerned about the benefits that shall be generated for the public at large by expert management of such natural resource.

An attempt has been made by our association to make its suggestions before the authority. Albeit our response is late by a week, we humbly request the authority to consider the same before finalization of its recommendations to the department.

Thanking you,  
With Kindest Regards,

**Dr. Bipin Batra.**

## **Issues for Consultation**

***Chapter 2: Current spectrum availability and requirement.***

1. **450 Mhz band:** The band can be deployed for both CDMA and GSM based services. The deployment of bands be as per the best international practices as international roaming is an important area of concern for the users and India should not be left out as a stand-alone pocket in the International community of telecom users.
2. **Spectrum requirement:** CUIAI has been repeatedly raising the issue that additional spectrum shall be released only if the operators have reached a saturation point, with upto 8 operators in a licensed territory release of additional spectrum without optimal usage by the operators may result in wastage of this natural resource.
3. **& 4: IMT 2000 band:** The IMT 2000 band should be used exclusively for the 3G services, it is submitted that the international practices should be followed strictly so that seamless connectivity can be ensured at most economical prices for the larger interests of the users. The user community is eagerly awaiting deployment of 3G systems and any regulatory intervention that may distort the deployment of 3G is unwelcome, undesirable and uncalled for. The core and fundamental band in the IMT 2000 should not be distorted in the interest of international synergy and consequent user benefit. The 1700/1800 Mhz should be used exclus
  5. **Reorganization of frequencies** may be encouraged as the same intends to better utilization of spectrum, lowering of costs etc. and benefits resulting thereof.
  6. **Pairing the 1880-1890 with the 1970 MHz** shall again render the IMT 2000 useless. Hence the proposal is undesirable.

### ***Chapter 3: Technical efficiency of spectrum utilization***

Spectrum is a national resource and belongs to all of us; the Govt. is the custodian for the same and the TRAI as an expert body should not discriminate between various subsets of technologies, a technology

neutral approach must be adapted without any unfair advantage to any operator/ group of operators being there.

The wireless data usage, which is low as of now, is slowly rising and is just awaiting a critical push to assume high proportions. The deployment of 3G networks is expected to push the usage high for wireless data; further spectrum policy may be structured accordingly.

#### ***Chapter 4: Spectrum Pricing***

7. The charges for spectrum should not be exorbitant as the same ultimately have to come from consumers; revenue share model is the most optimal model.
8. Auctions and tenders are not the most suited methods; the experience of the DoT in the cellular licenses and their consequent migration to the revenue share model vide NTP 1999 is an excellent experience in hand, the rationing model of spectrum is recommended.
9. Spectrum usage charges should be as low as possible (taxing the spectrum is taxing the common man), affordability of services is the guiding light.
10. Spectrum pricing must be uniform be it for fixed wireless or mobile services or for that matter for voice or data and on any technology base.
11. In a scheme of shared spectrum, The total price should be same.

#### ***Chapter 5: Spectrum Allocation***

12. The existing policy guidelines for spectrum allocation to telecom operators may be referred to and is probably suitable.
13. A reserve may be set for the current operators based on futuristic growth projections; however, additional spectrum may only be

allotted to operators demonstrating fulfillment of the roll-out and subscriber numbers.

14. Yes. Technology neutral spectrum allocation policy is the only non-discriminatory way.
15. The spectrum allocation be usage based, if there is demand by an operator, the same may be evaluated on technical grounds, if valid may be accepted. We suggest that no predetermined ceilings may be prescribed.
16. The International practices as the IMT 2000 may not be disrupted considering the adverse impact such a move may have on the interests of users, as the new and internationally acceptable standardized technologies may not be available to the users in our country in such a situation.
17. Auction as a means of spectrum allotment may please be avoided, the experience in the Indian telecom sector and a radical reform of the auction process undertaken vide the NTP-99 is an eye opener.
18. If adjustments can be made in the 900 Mhz band without much difficulty, then the same must be extended to the fourth CMSP licenses as well.
19. The approach may be towards achieving the deployment of the 3G services in the shortest possible time, as the user community is eagerly awaiting the same, the methodology suggested in the paper about minimum blocks may not be best suited to achieve the objectives in line with the IMT 2000.
20. IMT 2000 spectrum should not be treated at any cost as a continuum of the 2G services, we believe that if the world over where there are far more mobile subscribers in a territory than India, can exclusively spare the IMT 2000 why we are considering such a proposal, it may not be in the best interests of the users and is likely not a healthy spectrum policy to ignore the “march of technology” and allocate the 3G band for the 2G services, we

believe that re-organization of the available spectrum in 2G arena may be sufficient to cater to the existing demand in the sector.

### **Chapter 6:**

21. In the larger interest of growth, stability and enhanced efficiency of telecom networks and consequent benefits for one and all; the standard bands used in telecom be made available for use of commercial networks. Licenses for such users may not be renewed at expiry; prior warning to this effect may also be given.
22. Surrender by demand from competent authority or arising out of policy changes may be compensated; otherwise no refunds be permitted.
23. Surrender resulting from policy changes be considered and the charges be refunded on pre-rata basis for the period left unused.
24. Trading can only be considered once allocation has stabilized; it also has to be seen with the M&A policy for licenses.
25. No cap on spectrum must be there, the M & A is on certain conditions defined by the regulator; further that each unit of spectrum is accounted for, if justification is there for its allotment then there can neither be made on its cap.

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