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Date: Wednesday, February 15, 2012 11:45 am

Subject: Response to Pre-Consultation on "Allocation of Spectrum in 2G band in 22 Service Areas by auction"

To: pradvmn@traf.gov.in

Dear Members of the TRAI / Committee on 2G Spectrum Auction:

I am writing to you in response to your consultation paper on "Allocation of Spectrum in 2G band in 22 Service Areas by auction". The Honorable Supreme Court of India in its judgment of the 2G Scam has clearly stated that,

State is the legal owner of the natural resources as a trustee of the people and although it is empowered to distribute the same, the process of distribution must be guided by the constitutional principles including the doctrine of equality and larger public good.

So in the spirit of the judgment of the Honorable Supreme Court of India, I congratulate the members of TRAI in taking the right decision of auctioning the said Spectrum.

Now the broader question posing the members of the TRAI is, who all can participate in the Auction of this Spectrum? We have a number of Choices,

Now the broader question posing the members of the TRAI is, who all can participate in the Auction of this Spectrum? We have a number of Choices,

1. Only those Telecom Operators whose Licenses / Spectrum were canceled by the Honorable Supreme Court of India.
2. All Telecom Companies who have Valid UASL Licenses to Operate in India
3. All Companies who have Applied for UASL and are Wait Listed by the Department of Telecommunications. Their are over 300 in Number - http://convergence.in/download/list_waiting.pdf
4. All Companies who have been successful in obtaining 2G / 3G / BWA / ISP etc License and are serious about Providing Telecommunication related services in India
5. Open to any Company Indian / Global company already into Telecommunication related services who wants to operate in India
6. Open to any entity / individual globally.

It can be easily inferred from the above 6 points, that to maximize revenue opportunity for the State, the auction has to be open for Any entity / individual globally. However, having tracked the Indian Telecom industry keenly for over 10 years and in the interest of protecting the Telecom ecosystem[Operators, Consumers, Government, etc] I'd vote against this idea.

So what is the Best Path TRAI can take in Maximizing the Revenue Opportunity for the State and Protect the Telecom ecosystem ?

I'd propose that TRAI take the approach of combination of Points 1, 2, 3, 4, 5 i.e TRAI allow companies whose licenses were canceled by the Supreme Court along with existing UASL service providers, companies who have been wait listed by the DoT, companies which have 3G / BWA / ISP / or other Telecom related licenses in India and finally the Global Telecommunication Service Providers. This way we will discover the TRUE price of the Spectrum as well as protect the Telecom ecosystem.

Also I'd like to strongly advocate that companies / entities who wish to BUY Spectrum for TRADING purpose should be kept out of the Auction and the Winner has to be bound by the already existing Rollout Obligations within the ambit of Passive Infrastructure Sharing and not in anticipation of laws permitting / proposed for Active Trading of Spectrum.

In the interest of improving the Telecom Services, TRAI must strongly suggest what is Best for the Country and not come under pressure from non-subject experts holding the chair of Minister of Communications and Information Technology who is well known for the Zero Loss Theory in the 2G Spectrum Case.

Should you have any further questions or need an unbiased opinion / recommendation in the interest of our nation, I am always available.

Thank you for the time and consideration.

Sincerely,

Chetan

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