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Shri Sudhir Gupta,
Pr. Advisor (MS),
Telecom Regulatory Authority of India,
Mahanagar Doorsanchar Bhawan,
(next to Zakir Hussain College)
Jawaharlal Nehru Marg (Old Minto Road)
New Delhi 110002
India

**GSMA Response to TRAI's Pre- Consultation Paper on
"Allocation of Spectrum in 2G band in 22 Service Areas by Auction"**

Dear Sir,

Representing the interests of mobile operators worldwide, the GSMA respectfully submits the following response to TRAI's pre-consultation request. Spanning more than 220 countries, the GSMA unites nearly 800 of the world's mobile operators, as well as more than 200 companies in the broader mobile ecosystem, including handset makers, software companies, equipment providers, Internet companies, and media and entertainment organisations.

Following the recent revocation of 122, 2G mobile network licenses by India's Supreme Court, the GSMA believes that it is important to now move quickly to outline the process that will provide a rapid resolution to this situation. Key to this will be to ensure that the new process guarantees the principles of fairness, transparency and certainty, to all who have been investing in India in good faith.



The current situation has put at risk the existing investment of billions of US dollars in mobile network infrastructure, in a sector that either directly or indirectly employs almost 10 million people and serves more than 894 million consumers. The deployment of mobile networks requires large capital expenditure by mobile operators and the return on this investment is long-term. Therefore, uncertainty is particularly damaging to the future growth of India's mobile sector.

The uncertainty generated by the current legal situation also runs the risk of deterring much needed investment in 3G and 4G networks, which will have a knock-on impact on a number of key sectors of India's wider economy. According to a recent GSMA report, a 10% increase in broadband penetration in India would contribute a combined US\$80 billion (INR 3,506 billion) of net revenues across the country's transport, healthcare and education sectors by 2015.

India is the second largest mobile market in the world and a vibrant and exciting area of growth. It is in a strong position to shape the mobile industry of the future. Unless the government moves swiftly to clarify the process of licence reallocation, further investment in India could be deferred. The GSMA is willing to participate in open dialogue on this situation with the government, to ensure fairness in the future auction process and maintain confidence in India's position as a secure place to do business.

Yours Sincerely,

A handwritten signature in black ink that reads "Tom Phillips".

Tom Phillips

Chief Government and Regulatory Affairs Officer, GSMA

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