

February 15, 2012

Shri Sudhir Gupta
Pr. Advisor (MS)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhavan
Jawahar Lal Nehru Marg
New Delhi 110 002

Sub: Comments for consideration of TRAI on "Allocation of Spectrum in 2G band in 22 Service Areas by auction"

Dear Sir,

On behalf of CEAMA Association of India, we would like to make the following comments for your consideration on the pre-consultation paper on allocation of spectrum in 2G band in 22 service areas by auction:

1. The auction should be open for all including global players who do not have presence in India through its potential Indian partner except existing licensees. Certain eligibility criteria should be provided for global player such as experience of operating similar services for 5 years, subscriber base of 50 million and net worth of USD 2 billion.
2. All licenses which have been quashed pursuant to the Hon'ble Supreme Court Judgment of February 2, 2012 should be eligible for the slated auction and unified access license/unified license.
3. The reserve price should be fixed at the level of auction price of the fourth cellular license at Rs. 1659 crores which was deemed to be the value of the 4.4 MHz/2.5 MHz spectrum discovered by the market through an auction as a fair reserve price.
4. Licenses cancelled as per the recent Hon'ble Supreme Court's Judgment of February 2, 2012, should be allowed a set off for the already paid entry fees of Rs. 1,659 Crores pan India or part thereof in the upcoming auction.
5. Existing incumbent operators already holding initial start up spectrum greater than or equal to 4.4 MHz GSM/2.5 MHz CDMA and whose licenses come up for renewal in 2014/2015/2016/2018 should not be allowed to participate in this auction.
6. Auction format should be such that the auction is concluded before the Hon'ble Supreme Court's Judgment comes into force i.e; 4 months / before 1st of June 2012.
7. As a first step the auction should be for a slot of 4.4 MHz in each service area for licenses which have been ordered to be cancelled by the Judgment of the Hon'ble Supreme Court . This is in line with atleast giving an opportunity to these licensees to gain their spectrum through market auction and resume their services

प्रधान सलाहकार (एम.एस.)
डायरी सं. 122
दिनांक. 16/2/11

8. All entities acquiring spectrum through an auction or at market prices should be allowed to Share Spectrum/Trade Spectrum.
9. The validity of 20 years should be accorded to this 4.4 MHz slot spectrum in 2G band put up for auction. Thereafter, DoT may articulate linkage of Auction price discovery to (a) Spectrum beyond 6.2 Mhz; or (b) Renewal of License.
10. A mechanism should be drawn out to ensure business continuity of process and continuity of back to back contracts with partners of licensees affected by the Judgment. .

Thanking you,

Yours sincerely,



Authorized Signatory