

# **BHARAT JYOTI CONSUMER ADVOCACY GROUP,LUCKNOW**

## **Answers to the Issues for Consultation on Overall Spectrum Management and Review of License Terms & Conditions**

### **I. Spectrum Requirement & Availability:**

- 1) We agree with the subscriber base projections;
- 2) We agree with the projected spectrum requirement;
- 3) The large part of spectrum meant for commercial Telecom. Mobile Services, particularly in 2 Ghz band is occupied by Defence and other Govt. agencies. The commercial Cellular Mobile Services started operations in India in 1994/1995. At that time itself, we knew that large chunk of scarce radio spectrum is being held by defence. It is surprising that even after 14 years, Defence Dept. and other Govt. agencies continue to occupy the vital mobile spectrum.

The Govt. of India should have drawn plans to get the scarce mobile spectrum in 800/900 Mhz bands and 2Ghz band vacated periodically, which is currently occupied by various govt. agencies. The defence and other agencies must shift their operations from UHF/Microwave to OF Cable, wherever possible. In other cases, they must use more efficient technologies to conserve the spectrum, thus sparing large part of mobile spectrum. We understand, these agencies are already in the process of shifting to alternate technologies. The Govt. of India should earmark adequate funds for these agencies, for shifting to alternate technology, from the License & Spectrum Fee collected by them from operators.

4. The 800/900/1800 MHz bands should be earmarked only for commercial mobile data & voice services. After the expiry of the present licenses, the spectrum in the 800/900/1800 MHz band should be reallocated to the Operators wishing to renew their licence, but it should be at the market price, to be determined by auctioning/bidding

5. The 700 MHz band largely unused so far, could be explored for allotment for 3G & Broadband Services.

6. The 700 MHz band is suitable for 3G services, provided the equipment is available at competitive prices.

### **II Licensing Related Issues:**

7. No, it should not be delinked. The license without any guarantee of the spectrum, has no meaning. There will be heavy delays in rollouts, if spectrum is delinked.

**8. We feel that there should be a cap on the number of operators/service providers in each service area. In fact, we had made this recommendation against your last consultation paper on Number of Access Service Providers in 2007. Already, there are going to be 12 to 13 operators in each service area, as such, which may perhaps be a world record. After all, the purpose of more no. of operators in a given area is more competition, resulting in benefits to customers. We feel that, there would have been sufficient meaningful competition, even with a cap of 5/6 operators including a Govt. Operator in each service area. If there was a cartel amongst operators, TRAI could intervene.**

**9. There can not be a limit for the maximum subscribers. The requirement of spectrum will depend on subs density in a given area, which goes on increasing. The operator has to split the cell or go for more efficient technology weighing the economics. However the experts could work it out.**

**10. There should not be any limit to maximum spectrum, as its requirement depends on the number of subscribers, which may increase all the time. The criteria for allotment of additional spectrum should be more stringent but practical at the same time.**

**11. If a particular operator has got more than the maximum specified spectrum, then he should be asked to pay higher market price for it.**

**12. We are against any fresh license in 2G alone.**

**13. Our opinion is that, it should not be delinked.**

**14. Yes, we subscribe to technical spectrum audit by an expert impartial agency. If it is found that a particular operator is not using the spectrum efficiently, then heavy penalties must be imposed on him. But, before that, TRAI must come out with the guidelines, clearly defining the *Efficient use of Spectrum*.**

**15. No, it should not be;**

**16. There is no need of asymmetric pricing, as ARPU from rural area is already low. In any case, even if investment in urban area is more, then accordingly, the return to the operator is also more.**

### **III. Spectrum Assignment & Pricing:**

**17, 18 & 19: No comments**

**20. Yes, there should be a transfer charge on spectrum upon M&A. It should be different for transfer/sharing of spectrum.**

**21. Each time an M&A takes place, the transfer charges must be levied.**

**22. It should be on both the entities.**

**23. Yes, the spectrum held consequent upon M&A should be subjected to the maximum limit, if already pre-assigned.**

#### **IV. SPECTRUM TRADING:**

**24 to 31. Our view is that spectrum trading should not be allowed at all. The spectrum is a national property/asset, the individuals have no right to trade in it. The Govt. alone should have the right to allot/transfer/trade the spectrum.**

#### **V. SPECTRUM SHARING:**

**Q. 32 to 36: Our view is that no sharing of spectrum should be allowed, as in the case of trading.**

#### **VI. PERPETUITY OF LICENSE:**

**37. There should be a time limit;**

**38. 20 years is okay;**

**39. Minimum 15 years;**

**40&41: No Comments;**

#### **VII. UNIFORM LICENSE FEE:**

**42,43,44: It should be non-uniform depending on the overall scope of revenue of each type of service;**

#### **VIII SPECTRUM ASSIGNMENT :**

**45-47: No comments;**

**48: 1 MHz is okay;**

**49. A minimum amount say upto 6.2 MHz spectrum (GSM) could be considered as bundled with License. Over and above, IT SHOULD BE CHARGED AT MARKET RATES;**

**50&51: No comments**

**IX SPECTRUM PRICING:**

**52. Yes,okay;**

**53.: From the date of new licenses issued in Jan.,08**

**54 to 56: No comments;**

**X:**

**57. No comments;**

**For Bharat Jyoti CAG,**

**M.K.GARG  
Convenor**