

**Comments on TRAI Consultation Paper**

**Overall Spectrum Management and review of license terms and conditions**

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Dear Sir,

Thank you for the opportunity to express my thoughts on this vital consultation paper on Spectrum Management.

### **General Comments**

- The consultation paper is seeking comprehensive set of opinions for an exhaustive set of issues. However, a critical issue such as Spectrum Management consultation needs to be driven using a framework. The question bank constitutes a mix of high level and micro level issues. It would do well to segregate the questions into
  - i) Fundamental - Spectrum framework
  - ii) Implementation – trading, farming & sharing and
  - ii) Others – touching on sub issues
- Indian telecom market is awaiting a shakeout. Probably, in a one of its kind of scenario in world, we have close to 13-14 service providers per region as against typical number of four. M&A is very much on the anvil in the coming three years. Matters related to spectrum management need to have this as a focal point. Dishing out licenses and spectrum to new operators only means spectrum is fragmented across service providers. The market dynamics render the business unsustainable thus forcing the operators to get consolidated.
- Wireless subscriber base figure quoted in the report – Does it include wireless broadband subscriber base? Or is it purely mobile subscriptions?
- The paper again seems to indicate a technology or service guide spectrum allocation. Spectrum allocation should be service and technology neutral. Have the market forces determine the optimum technology and service choices.
- The method of subscriber based additional spectrum allocation needs to be guarded. The quarterly numbers being reported by TRAI are nothing but new subscriptions. There is a periodic churn of close to 4% per month which is not duly reported by service providers. An audit mechanism to ensure the rightness in reporting of Gross and net subscribers is required to safe guard the method of additional spectrum allocation.

## **Spectrum requirement and availability**

**1. Do you agree with the subscriber base projections? If not, please provide the reasons for disagreement and your projection estimates along with their basis?**

Does wireless subscriber base include wireless broadband users i.e. using USB/PCMCIA device based broadband? Otherwise projections are fine for further calculations.

**2. Do you agree with the spectrum requirement projected in ¶ 1.7 to ¶1.12? Please give your assessment (service-area wise).**

**3. How can the spectrum required for Telecommunication purposes and currently available with the Government agencies be re-farmed?**

**4. In view of the policy of technology and service neutrality licences, should any restriction be placed on these bands (800,900 and 1800 MHz) for providing a specific service and secondly, after the expiry of present licences, how will the spectrum in the 800/900 MHz band be assigned to the operators?**

Spectrum allocation should be service and technology neutral

**5. How and when should spectrum in 700 MHz band be allocated between competitive services?**

**6. What is the impact of digital dividend on 3G and BWA?**

## **Licensing issues**

**7. Should the spectrum be delinked from the UAS Licence? Please provide the reasons for your response.**

**8. In case it is decided not to delink spectrum from UAS license, then should there be a limit on minimum and maximum number of access service providers in a service area? If yes, what should be the number of operators?**

Market is awaiting a shakeout as the current number of service providers is unsustainable at current levels of ARPU and competition. Tariff wars have come to define the market and it will not be long before consolidation is the order of the day.

**9. What should be the considerations to determine maximum spectrum per entity?**

**10. Is there a need to put a limit on the maximum spectrum one licensee can hold? If yes, then what should be the limit? Should operators having more than the maximum limit, if determined, be assigned any more spectrum?**

**11. If an existing licensee has more spectrum than the specified limit, then how should this spectrum be treated? Should such spectrum be taken back or should it be subjected to higher charging regime?**

**12. In the event fresh licences are to be granted, what should be the Entry fee for the license?**

**13. In case it is decided that the spectrum is to be delinked from the license then what should be the entry fee for such a Licence and should there be any roll out condition?**

**14. Is there a need to do spectrum audit? If it is found in the audit that an operator is not using the spectrum efficiently what is the suggested course of action? Can penalties be imposed?**

This is recommended as any scare resource needs to be guarded.