P.S. GADHAVI

Member of Parliament (Lok Sabha)



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MF-8, Odhav Dham Apptt., Opp. All India Radio Station, Bhuj (Kutch), Pin - 370001

Dated July 05, 2007

Dear Shri Misra ji,

Subject: Review of License Terms and conditions and capping of number of access providers.

As you are aware, India's telecom market is on a steep growth path aided by a forward looking regulatory regime and a strong demand for telephony services. With over 200 million subscribers, India is amongst the largest and the fastest growing Telecom market today.

The open market dynamics in the sector have taken the tariffs in India to amongst the lowest in the world thus making mobile telephony accessible to the lowest strata of the population. However, the recent move towards capping the number of service providers in the sector should be looked upon as a very derogatory and anti consumer. Any act of stifling competition in the sector in the name of spectrum unavailability needs to be countered with full force. TRAI should create regulations to ensure that the existing spectrum is optimally used and new players are encouraged to enter the sector as more spectrum becomes available. In a country of over 100 crore people there is enough space for many more service providers to set up their operations. This will not only improve the quality of service in the sector, which has been detoriating recently, but will also discourage existing large operators from setting up price cartels.

TRAI should stick to the task of creating a congenial regulatory environment that encourages free competition and leave the task of determination of number of operators to market forces. Any move towards curbing open market will be a step backward and will undo whatever has been achieved over last five years.

I hope that good sense will prevail and TRAI and the Government would refrain from doing anything which will have an adverse impact on the buoyant telecom sector, which is still in its infancy and has a long way to go.

With kind regards,

Yours sincerely,

PS. Galhar

(P.S. GADHAVI)

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