



RAJEEV CHANDRASEKHAR
MEMBER OF PARLIAMENT
RAJYA SABHA

Member of Standing Committee on Information Technology
Member of Consultative Committee on Urban Development
Member of Parliamentary Forum on Youth

November 26, 2007

Dear Thiru *Raja*

Thank you very much for the letter No. 219/M (C&IT) VIP/2007 dated November 21, 2007 and your efforts at clarifying the position of the DoT and your Ministry.

Firstly let me thank you for reaffirming your commitment to transparency and an equitable approach to the issue of allocating spectrum. I believe this is an important meeting of minds.

Firstly, I unreservedly endorse your efforts at increasing competition – which is clearly a desirable public policy objective because it delivers significant consumer benefit and I further, support your Ministry's views on the need for an open and unfettered approach to auctions for 3G licenses and spectrum, despite the TRAs obviously flawed approach of restricted auctions.

As you are aware, I have been advocating the need for such an auction even for the 2G spectrum that the Defence Ministry is releasing. It is now clear to me, however that - given the December 2005 guidelines for UASL and its clause 11 and more specifically the critical fact that the DoT has entered into contracts with a large number of licensees by accepting fees from them – that it may be impractical to introduce auctions for these licensees and applicants, therefore I will agree with your view that introducing auctions at this stage may lead to a breach of contract by DoT and consequential litigations – both of which are not desirable outcomes.

I therefore would be willing to dilute my demand for auctions and be supportive of the Ministry's efforts at using the December 2005 guidelines at allotting spectrum to licensees/applicants with the following conditions:

- a. That the DoT will immediately amend the existing Policy and the 2005 guidelines to ensure that all future licenses/spectrum (after this round of licensing) shall only be through an open, transparent multi round bidding process.



- b. That additional licenses are issued for new licensees are issued without delay so that the competitive landscape is increased and consumers start benefiting from this with minimum delay.

Let me also through this letter urge you also to commence a comprehensive review of the TRAI Act. As you are aware, I have urged in Parliament that such a review is long overdue, because of the number of areas of weakness in the current act, both in terms of accountability of the TRAI to Parliament and its independence from the DoT. I hope you will agree to the request and initiate the same

Very truly yours,

RAJEEV CHANDRASEKHAR

Thiru. A Raja
Minister of Communications and Information Technology
Government of India
New Delhi

✓ **Copy to:** Hon'ble Prime Minister of India
This refers to my letter dated 14th November 2007 on the subject.