

PRESS RELEASE

New Delhi dated 12th November'2007

MOBILE NUMBER PORTABILITY

Government has today announced introduction of Mobile Number Portability in the four metropolitan cities of Delhi, Mumbai, Kolkata and Chennai.

Reacting to this announcement, Mr. T V Ramachandran, Director General COAI stated that the industry had no objection to the introduction of number portability provided the same was done in a holistic manner covering all operators, both fixed and mobile and being implemented all India so that all consumers have access to this facility.

Mr. Ramachandran pointed out that internationally number portability is used to promote competition and that in India, the need for increased competition was more evident in the fixed line segment where 90% of the subscribers were with one operator. Mr. Ramachandran questioned why the benefit of number portability were being denied to the fixed line customers?

He said that the true benefits of number portability would accrue if it were allowed across segments and on an all India basis. He said that a fixed line customer should have the freedom to port his number to another fixed operator or even another mobile operator, if desired.

Mr. Ramachandran stated that **industry feels that Mobile number portability was being introduced to benefit a select operator desirous of entering the GSM segment and thereafter poaching on the subscribers of existing GSM players.**

3G POLICY

Government has announced its 3G policy indicating that it will be auctioning 3 slots of 10 MHz and that the bidders could include new foreign players.

Mr. T V Ramachandran, Director General COAI stated that the Government policy was at direct variation with the recommendations of TRAI which had recommended that 3G spectrum be given only to existing operators in slots of 5MHz each. Mr. Ramachandran stated that the **Government policy suffered from serious legal infirmities as it violated the 5th proviso the Section 11 of the TRAI Act, viz. that if the Government did not agree with any recommendation of TRAI, it must mandatorily refer the same back to TRAI for its reconsideration and only after receiving the reconsidered view of TRAI could the Government take a final decision** in the matter.

Mr. Ramachandran stated that **"it was bizarre that the Government was proposing as many as 8-9 operators in every service area in the case of 2G, while seeking to introduce a near monopoly market /regime in 3G"**

Mr. Ramachandran also expressed concern at the reports that the bidding will only be done for the 2.1GHz spectrum and that the CDMA operators would be allowed to acquire a 3G carrier in 800 MHz at a fixed price determined through the 3G auction. He stated that this again was a discriminatory approach being adopted by the Government, by choosing different pricing strategies for GSM and CDMA players.