

# Telecom Competition Policy in India

# Evolution of competition

- NTP 1994: competition not a concern
- NTP 1999: competition major objective
- 2002: 'open' licensing policy
- Status of competition
  - Cellular : competitive
  - NLD/ILD : expected to be competitive
  - Basic access : not competitive

# Factors inhibiting competition

- License conditions
- Spectrum assignment and pricing
- Interconnection
- Basic services tariff regulation

# License Condition

- Roll out obligations
- Revenue share
- Definition of services

# Spectrum

- Separating spectrum and service licenses
- Auction of spectrum license

# Interconnection

- Reference interconnection offer
- Cost based interconnection charges
- Cost of UNE (Unbundled Network Elements)
- Accounting separation of BSNL

# Basic services rental

- Rental is not a political decision
- Price cap for basket of BSNL services
- Separate cap for a low user package

# Main issues

- Arms-length relationship between government and BSNL/MTNL
- BSNL/MTNL to gear up to provide data required by regulator
- USO through USO fund – not through tariffs, interconnection charges and service conditions.