

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:2409

ANSWERED ON:28.03.2012

CHARGES ON EXCESS SPECTRUM

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;Tewari Shri Manish

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the salient features of the recommendations of Telecom Commission on charging for excess spectrum submitted to the Government; ;
- (b) whether the Government had earlier taken decision for charging spectrum beyond 4.4 MHz, even though 6.2 MHz was the contracted spectrum, retrospectively on TRAI's recommendations approved by the Telecom Commission;
- (c) if so, the details thereof and the revenue likely to have been generated by charging for per MHz spectrum beyond 4.4 MHz;
- (d) whether the Government has reverted back from that decision and if so, the reasons therefor;
- (e) whether the Government proposes to protect those operators who have not been allotted spectrum beyond 4.4 MHz in order to place them at par with the operators who hold excess spectrum; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY

(SHRI MILIND DEORA)

(a)to(f) Madam, on January 29, 2011, a Press Statement was made by the Minister of Communications & Information Technology on the Policy for Spectrum Assignment and Pricing, inter-alia, stating that:

` In future, there will be no concept of contracted spectrum and, therefore, no concept of initial or start-up spectrum. Spectrum will be made available only through market driven process.

While moving towards a new policy dispensation, it is necessary to ensure a level playing field between all players. Hence going forward, any new policy of pricing would need to be applied to equally to all players. Additionally, assignment of balance of contracted spectrum may need to be ensured for the existing licensees who have so far been allocated only the start up spectrum of 4.4 MHz. It may be recalled that showcase notices have been issued to certain licensees for cancellation. Only in respect of the licences that will be found valid after the process is completed, the additional 1.8 MHz will be assigned on their becoming eligible, but the spectrum will be assigned to them at a price determined under the new policy. `

We need to seriously consider the adoption of an auction process for allocation and pricing of spectrum beyond 6.2 MHz while ensuring that there is adequate competition in the auction process.

Thereafter, after considering the recommendations of the Telecom Commission, the Government, vide Press Statement dated February 15, 2012, has announced its decisions taken so far on the recommendations of the Telecom Regulatory Authority of India (TRAI) on `Spectrum Management and Licensing framework`, inter-alia, stating that the decisions on all matters relating to one time spectrum charge will be taken separately. It was also stated therein that the judgement of the Supreme Court pronounced on 2n February, 2012 cancelling 122 licenses has implications for some of the recommendations of the Telecom Commission. Such recommendations are being examined further with reference to legal and other aspects and decisions in this regard will be announced later.