

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

UNSTARRED QUESTION NO:2033

ANSWERED ON:05.12.2012

CHARGES ON EXCESS SPECTRUM

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

- (a) whether the Empowered Group of Ministers (EGoM) has overruled the recommendations of the Telecom Commission and thereby decided to charge excess spectrum prospectively;
- (b) if so, the details thereof and the reasons therefor;
- (c) the details of the operators who gained from allotment of extra spectrum since 2002, operator-wise and the estimated loss to the exchequer as a result thereof;
- (d) whether the final decision has been taken by the Government on the modalities for charging the excess spectrum beyond contractual spectrum separately for GSM and CDMA; and
- (e) if so, the details thereof and if not, the reasons for delay in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a) & (b) Empowered Group of Ministers (EGoM), considering various issues, including Telecom Commission recommendations, Ld. Attorney General's opinion, etc. on the issue of one time spectrum charge, made, among others, the following recommendations:

- (i) For spectrum holding up to 4.4 MHz (GSM)/ 2.5 MHz (CDMA), no one-time charge be levied.
- (ii) For all spectrum holdings beyond 4.4 MHz (GSM)/ 2.5 MHz (CDMA), one time charge be levied prospectively at 2012 auction determined price. Date of charging will be the date of commencement of the first quarter following the Cabinet decision.
- (iii) For spectrum held above 6.2 (GSM)/ 5.0 MHz (CDMA), one time charge be levied from July 2008 onwards. There will be two prices. The price, pro-rated for the period July 2008 up to the date of applicability of auction determined price, would be the 2001 entry fee divided by 6.2, duly indexed using State Bank of India Prime Lending Rate (SBI PLR). The auction determined price be levied for spectrum beyond 6.2 (GSM)/ 5.0 MHz (CDMA) with effect from the date of commencement of the first quarter following the date of the Cabinet decision.

(c) In the absence of policy decision on the charging of excess spectrum for the said period, no quantification of the same can be done.

(d) & (e) The Government has decided, among others, the following:

- (i) for spectrum holding up to 4.4 MHz (GSM), no one time charge be levied.
- (ii) for all spectrum holdings beyond 4.4 MHz (GSM), an one time charge be levied prospectively upon the existing operators at 2012 auction determined price. The date of applicability of the charge shall be the date of commencement of the first quarter following the date of the Cabinet Decision.
- (iii) for spectrum held above 6.2(GSM), a one-time charge be levied from July 2008 onwards. There will be two prices. The price, pro-rated for the period July 2008 up to the date of applicability of auction determined price, would be in the 2001 entry fee divided by 6.2, duly indexed using State Bank of India Prime Lending Rate (SBI PLR). The auction determined price be levied for spectrum beyond 6.2 (GSM)/ with effect from the date of commencement of the first quarter following the date of the Cabinet decision.
- (iv) licensees may be given the option to surrender the spectrum beyond 4.4 MHz (GSM) if they did not wish to pay this charge.
- (v) No decision has been taken yet regarding pricing of CDMA spectrum.