

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

STARRED QUESTION NO:199

ANSWERED ON:18.12.2013

RESERVE PRICE OF SPECTRUM .

Naik Dr. Sanjeev Ganesh;Patil Shri Sanjay Dina

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

- (a) the broad guidelines issued by the Government for sharing of 2G spectrum (800/900/1800 MHz);
- (b) whether there was a lukewarm response to the spectrum auctions held in 2012 and 2013;
- (c) if so, the details thereof;
- (d) whether the Cabinet Committee on Economic Affairs (CCE) has approved the reserve price of spectrum for the upcoming 2G spectrum auctions; and
- (e) if so, the details thereof including the amount likely to be collected as a result thereof?

**Answer**

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY & LAW AND JUSTICE (SHRI KAPIL SIBAL)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 199 FOR 18TH DECEMBER, 2013 REGARDING "RESERVE PRICE OF SPECTRUM"

(a) Broad guidelines on sharing of spectrum were issued in the Press Statement dated 15.02.2012. The copy enclosed at Annexure-I.

(b) & (c) Auction of spectrum for 1800 MHz and 800 MHz was held in November, 2012. In this auction there were five applicants for the 1800 MHz band and two applicants for the 800 MHz band. The applicants of the 800 MHz band subsequently withdrew their applications. There were three new entrants for the 1800 MHz band, namely, M/s Telewings Communications Services Private Limited, M/s Videocon Telecommunications Limited and M/s Idea Cellular Ltd. There was no bid in four service areas viz. Delhi, Mumbai, Rajasthan and Karnataka. Bidding took place in 18 service areas and the auction closed at the reserve price in all except one Service Area (Bihar) where it was 9.22% above the reserve price. A total 54.55% of the spectrum blocks were sold at total price of Rs. 9407.64 crores.

Auction of spectrum for 1800 MHz, 900 MHz and 800 MHz bands was also held in March, 2013. In the auction, there were no applicants for 1800 MHz/ 900 MHz bands; and, there was only one applicant, M/s Sistema Shyam Teleservices Ltd (SSTL) for 800 MHz band. The auction, which was held on 11.03.2013 was completed after three rounds and was completed on the same day. M/s SSTL won three blocks each of 1.25 MHz in eight Telecom Service Areas, i.e Delhi, Kolkata, Gujarat, Karnataka, Tamilnadu, Kerala, West Bengal and UP (West) with a total value of 3639.48 crores.

(d) & (e) Government has decided the reserve for the spectrum in 1800 MHz and 900 MHz bands for the forthcoming auction of spectrum. The reserve price for the spectrum in 1800 MHz and 900 MHz bands is at Annexure-II. The estimated approximate revenue based on the reserve price works out to be Rs.49,143 Crore.