

Information note to the Press (Press Release No.75/2014)

For Immediate release

Telecom Regulatory Authority of India

**TRAI Releases Clarifications / Reconsideration of Recommendations on
'Valuation and Reserve Price of Spectrum: Licenses expiring in 2015-16'**

New Delhi, 24th November 2014 - The Authority had sent its recommendations on "**Valuation and Reserve Price of Spectrum: Licenses expiring in 2015-16'** on **15th October 2014** to the Department of Telecommunications (DoT). On 14th November 2014, the DoT sought clarifications/ reconsideration on some of the recommendations.

After considering the comments given by the DoT, the Authority has furnished its response to the Government. The Authority, has reiterated its earlier recommendations with detailed reasoning. These recommendations, inter-alia, include –

- (i) There is no change in the reserve prices for spectrum in the 900 MHz and 1800 MHz bands from what were recommended earlier.
- (ii) The constrained supply of spectrum poses a real threat to the continuity of services being provided to millions of subscribers by the expiry licensees. Also, the non-availability of sufficient spectrum is the biggest impediment to the realisation of the stated goals in NTP - 2012 for broadband proliferation. Accordingly, the Authority re-emphasised the need to increase the supply of spectrum.
- (iii) The Authority reiterated that dialogue need to be held at the level of the Finance Minister, the Minister of Communications and IT and the Defence Minister to ensure the availability of additional spectrum for commercial use.
- (iv) The Authority reiterated that steps should be taken to make available additional spectrum in the 900, 1800 and 2100 MHz bands by taking back 1.2 MHz of 900 MHz spectrum from BSNL, utilizing idle 1800 MHz spectrum in the Defence band and vacating spectrum held in excess of 20 MHz by Defence in the 1800 MHz band.
- (v) Authority's recommendation for the implementation of E-GSM band is one of the ways to enhance the supply of 900 MHz band spectrum



which is considered by operators (the market) to be the most valuable spectrum. The option needs to be given serious consideration by the Government.

- (vi) In the 2100 MHz band, additional 3 blocks of 2x5 MHz of spectrum can be made available by swapping spectrum in this band with Defence. Defence can be assigned spectrum in the 1900 MHz band (1910-1920/1980-1990 MHz).
- (vii) The spectrum in the 800 MHz, 900 MHz, 1800 MHz and 2100 MHz bands should be auctioned together (simultaneously). If auction of spectrum in the 2100 MHz were to be taken up later, there would continue to be uncertainty.
- (viii) The Government should announce its decision on the adoption of APT700 band plan. It should also announce the roadmap for the auction of spectrum in 700 MHz band. This should be done before the conduct of the upcoming auctions in 900/1800 MHz band. These two decisions will help in the faster development of the device eco-system. It will also help TSPs to take an informed decision when bidding for the upcoming auction in 800/900/1800 MHz bands.

The response to the Government has been placed on TRAI's website www.trai.gov.in

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