

**Information note to the Press (Press Release No. 76/2013)**

For Immediate release


**Telecom Regulatory Authority of India**

**TRAI Releases Clarification/Reconsideration of Recommendations on 'Valuation and Reserve Price of Spectrum'**

**New Delhi, 23<sup>rd</sup> October, 2013-** The Authority had sent its recommendations on 'Valuation and Reserve Price of Spectrum' on 9<sup>th</sup> September, 2013 to the Department of Telecommunications (DoT). On 11<sup>th</sup> October, 2013, 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 –

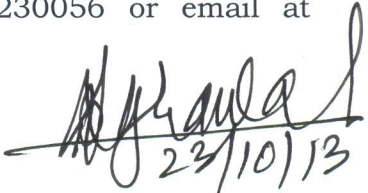
- (i) The Reserve Prices for 1800 MHz and 900 MHz remain unchanged i.e. at the level already recommended by the Authority. Since the recommendations on the reserve price obtained for different LSAs follow, in logical sequence, from the valuation through adoption of different economic methodologies, the Authority did not find any scope to "reconsider" the reserve price, as suggested by the DoT.
- (ii) In order to have an open, transparent, objective, responsive, unrestricted and successful auction of 900 MHz and 1800 MHz spectrum and to ensure a level playing field amongst bidders, the Authority has reiterated its recommendation regarding no reservation / priority in the 900/1800 MHz band.
- (iii) In order to correct the present urban-centric bias in the roll-out obligations as also to harmonize the roll-out obligations with the objectives of NTP 2012, the Authority has reiterated its recommendations on roll-out obligations to enhance rural coverage.
- (iv) The DoT has conveyed its in-principle acceptance on spectrum trading. Accordingly, the Authority will shortly work-out the detailed guidelines on spectrum trading.

  
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- (v) On auction of 800 MHz spectrum, the Authority has again recommended that the Government must first explore the feasibility of adoption of the E-GSM band before reaching any hasty conclusion.
- (vi) On Spectrum Usage Charges (SUC), the Authority has reiterated its recommendations for a graduated transition from the existing regime with its many limitations, to a more balanced, equitable and rational system.

The response to the Government has been placed on TRAI's website [www.trai.gov.in](http://www.trai.gov.in)

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