

# **Auction of Spectrum in 1800MHz and 800MHz Bands**

## **Notice Inviting Applications**

**File No.: 3-16/2012-Fin./Auction**

Government of India  
Ministry of Communications and Information Technology  
Department of Telecommunications

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## **1 INTRODUCTION**

### **1.1 Introduction**

The Government of India (the “Government”), through the Department of Telecommunications (“DoT”), proposes to allot the rights to use certain specified radio spectrum frequencies in the 1800MHz band and in the 800MHz band by means of auction in various telecom service areas as per Table 2-A and Table 2-B.

Separate auction processes will be carried out for allotting Spectrum blocks in 1800MHz band (the “1800MHz Auction”) and 800MHz band (the “800MHz Auction”) respectively. Together, the 1800MHz band Spectrum Auction and the 800MHz band Spectrum Auction is referred to in this document as the “Auctions”.

However, it may be noted that the Government reserves the right to use any other means to allot the spectrum as it may deem fit without assigning any reason whatsoever.

On behalf of the President of India, applications are invited from prospective bidders who meet the eligibility criteria for participating in the Auctions. Separate Applications are required for the 1800MHz band Auction and the 800MHz band Auction.

Based on the Applications, the Government shall pre-qualify Applicants who meet the eligibility criteria for participation in the relevant Auction.

The Government reserves the right to summarily disqualify any pre-qualified Bidder, at any stage of the Auctions or after the Auctions are completed on grounds of non-compliance with eligibility conditions, misrepresentation, non-compliance with the relevant Auction Rules, non-compliance with any other pre-condition prescribed for participating in the relevant Auctions or for getting the spectrum, or any matter that may, in the opinion of the Government, be contrary to general public interest.

Interested parties may obtain a copy of this document and any subsequent amendments to it (together, the “Notice”) from the DoT website.

### **1.2 Objectives of the Auctions**

The Government has set itself the following objectives for the Auctions:

- Obtain a market determined price of Spectrum in 1800MHz and 800MHz bands through a transparent process;
- Ensure efficient use of spectrum and avoid hoarding;
- Stimulate competition in the sector;
- Promote rollout of the respective services;
- Maximise revenue proceeds from the Auctions within the set parameters.

The Government reserves the right to cancel or postpone the Auctions, in part or in full, without assigning any reasons, in order to safeguard the above objectives. The Government

has the sole discretion to determine the relative priority of the objectives and whether the objectives are adequately safeguarded by the Auctions. It further reserves the right to abandon one or more of the Auctions at any time prior to the award of spectrum as it may deem fit without giving any reason whatsoever.

### 1.3 The Auctions

The award of Spectrum in 1800MHz band and 800MHz band shall be conducted as separate and distinct processes. Each of these Auctions is an independent process and is not linked to any of the other Auctions in any way. A common Notice has been issued only for the sake of convenience.

Each of the Auctions shall be a Simultaneous Multiple Rounds Ascending (SMRA) e-auction, conducted over the Internet. Bidders will be able to access the Electronic Auction System (“EAS”) to be used for participation in the Auctions using web browsing software: IE 9.x or Mozilla 13.x or Google Chrome 20.x. The EAS is a designated computer resource for the receiving of electronic records under the provisions of Section 13(2) of the Information Technology Act 2000.

Prior to the relevant Auction, Bidders will have to procure Class-III Digital Signature Certificate(s) (DSC) for signing and encryption issued by any valid Certifying Authority (approved by Controller of Certifying Authorities) in India which is mandatory for accessing the Electronic Auction System (EAS). The details of the licensed Certifying Authorities (CAs) are available on [www.cca.gov.in](http://www.cca.gov.in). It would be the respective bidder’s responsibility to acquire such DSC(s) in the name of their authorized signatories for participation in the e-auction. The bidders also need to ensure that they acquire the DSC(s) before the mock auction which will be conducted at the time specified by the Government.

Bidders shall also be provided with a detailed manual (EAS manual) explaining how to use the Electronic Auction System (the “EAS Manual”). This documentation shall be provided to Bidders in advance of conducting a mock auction. The system requirements for Bidders are outlined in Section 9.4, **Annexure** though the EAS Manual should be taken as definitive in this regard.

Winning Bidders of the spectrum block(s) in each Service Area in each of the Auctions shall be determined in the first stage, a Clock Stage, which will allocate spectrum blocks simultaneously for the service area(s). In the 1800MHz auction, it is not possible for a bidder who is categorized as a New Entrant in a Service Area to win more than 5 blocks in that particular Service Area and it is not possible for a bidder who is categorized as an Existing Licensee in a Service Area to win more than 2 blocks in that Service Area. In the 800MHz auction, it is not possible for a bidder who is categorized as a New Entrant in a Service Area to win more than 3 blocks in that particular Service Area and it is not possible for a bidder who is categorized as an Existing Licensee in a Service Area to win more than 1 block in that Service Area. A second stage, a Frequency Identification Stage, will identify specific frequencies for the Winning Bidders.

More specifically, the two stages shall operate as follows:

- **Clock Stage:** The Clock Stage will establish the bidders and the number of block(s) to be awarded in each of the service areas. In this stage, in each service area, bidders will bid for blocks of spectrum of 1.25MHz each (i.e. the right to use spectrum blocks not linked to any frequency) as per their respective permissible limit depending upon their categorization as “New Entrant” or “Existing Licensee”. The Clock Stage will consist of a number of rounds. These rounds will stop once:
  - (i) The Activity Requirement is 100%; and
  - (ii) There is no bid submitted by any of the bidders in any of the Service Areas in a clock round.

The Clock Stage will establish a common Winning Price for all blocks within a service area, and the Winning Bidders in each service area.

- **Frequency Identification Stage:** The Clock Stage will be followed by a Frequency Identification Stage that will identify specific frequencies for the Winning Bidders. The frequencies identified will be announced simultaneous with the outcome of the Clock Stage. The Frequency Identification Stage will be a random identification of frequencies performed automatically by the Electronic Auction System.

### ***Frequency Identification in 1800MHz band***

- (i) A New Entrant Winning Bidder will be allotted contiguous spectrum blocks as follows:
  - a) In Service Areas where a New Entrant Winning Bidder has won 5 blocks i.e. 6.25MHz, and if there is no other New Entrant Winning Bidder and if 5 contiguous blocks of 1.25MHz each are available, then 5 contiguous blocks will be assigned to the New Entrant Winning Bidder.
  - b) In Service Areas where a New Entrant Winning Bidder has won 5 blocks i.e. 6.25MHz, and there is another New Entrant Winning Bidder (with 4 blocks i.e. 5MHz), then 4 contiguous blocks will be assigned to each of the New Entrant Winning Bidders by random identification. In case of the New Entrant Winning Bidder who has won 5 blocks, the fifth block of 1.25MHz may not be contiguous.
  - c) In Service Areas where the New Entrant Winning Bidder has won 4 blocks i.e. 5MHz, he will be assigned 4 contiguous blocks (out of 8) through random identification of frequencies.
- (ii) Random identification of frequencies will be done for the existing Licensees who are Winning Bidders after assigning contiguous spectrum to the New Entrant(s).

### ***Frequency Identification in 800MHz band***



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- (i) A New Entrant Winning Bidder will be allotted spectrum blocks as follows:
  - a) In Service Areas, except Punjab and Andhra Pradesh, where a New Entrant Winning Bidder has won 3 blocks i.e. 3.75MHz, then all 3 blocks will be assigned to the New Entrant Winning.
  - b) In Service Areas, except Punjab, where a New Entrant Winning Bidder has won 2 blocks i.e. 2.5MHz, and there is no other New Entrant Winning Bidder, then 2 contiguous blocks will be assigned to the New Entrant Winning Bidder.
  - c) In Service Areas where a New Entrant Winning Bidder has won 2 blocks i.e. 2.5MHz, and there is another New Entrant Winning Bidder (which will be possible only in those Service Areas where top-up blocks are available), then random identification of frequencies will be done for assigning 2 blocks each to both the New Entrant Winning Bidders.
  - d) For the Service Area of Punjab, as there are only 2 blocks which are put for auction which are non-contiguous, random identification of frequencies will be done for the Winning Bidder(s).
- (ii) Random identification of frequencies will be done for the Winning Bidders who are existing Licensees.

The Government reserves the right to change the frequency allotment at any point over the duration of the relevant licences where this is required for harmonising bands and promoting spectrum efficiency.

Winning Bidders will pay the sum of the relevant Winning Prices set in the Clock Stage for the Service Areas in which they have won the specified number of Block(s). All Winning Bidders in a Service Area in any Auction will have equal Winning Prices as a consequence of the Auction Rules.

For the avoidance of doubt, the award of spectrum in any Service Area is not dependent on the award of spectrum in any other Service Area and Bidders shall not be allowed to put in any form of contingent bid linking a Bid for spectrum in any Service Area with the outcome of the Auction in any other Service Areas.

Frequency reconfiguration i.e. rearrangement of spot frequencies in the same band, from within the assignments made to the licensees, may be carried out, with the authorization of WPC Wing, among the licensees, **only** when the entire spectrum held by them is liberalized. No charges will be levied for rearrangement of frequency spots.

The Auction Rules are detailed in Section 5 and Section 6 for 1800MHz Auction and 800MHz auction respectively.

### 1.3.1 The Mock Auction

For the benefit of Bidders, a Mock Auction shall be conducted to familiarise the Bidders with the Auction Rules and bidding methodology to be applied and followed during the e-auction. The dates for the Mock Auction are provided in the Auctions timetable in the following section. The Government reserves the right to change these dates. Any change in the dates for the Mock Auction shall be notified through the Department of Telecommunications website, at least one day in advance of the start of the Mock Auction.

### 1.4 Timetable

The table below sets out the current timeline. The Government reserves the right to determine the overall timeline of the Auctions or to amend it from time to time.

Last date for submission of Applications	19 <sup>th</sup> October, 2012
Publication of ownership details of Applicants	21 <sup>st</sup> October, 2012
Bidder Ownership Compliance Certificate	24 <sup>th</sup> October, 2012
Pre-qualification of Bidders	28 <sup>th</sup> October, 2012
Final List of bidders	6 <sup>th</sup> November, 2012
Mock Auction	7 <sup>th</sup> - 8 <sup>th</sup> November, 2012
Start of the 1800MHz Auction	12 <sup>th</sup> November, 2012
Start of the 800MHz Auction	2 days from the day of close of the 1800MHz Auction
Payment of the Successful Bid Amount**	Within 10 calendar days of the close of the relevant auction

**\*\*** *Full Upfront Payment, OR in case of Deferred Payment option, upfront payment of 33% in the case of 1800MHz Auction and upfront payment of 25% in the case of 800MHz Auction.*

**Note:** Any changes in the Auction Timelines will be communicated through the DoT website. Participants are requested to monitor the DoT website actively.

### 1.5 Advisers to the Government

M/s. Times Internet Limited and M/s. e-Procurement Technologies Limited (together, referred to as the “Auctioneer”) are advising the Government on the Auctions.

Administration of the e-auction shall be the responsibility of M/s. e-Procurement Technologies Limited (the “Auction Administrator”).

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## 2 Spectrum

### 2.1 Spectrum to be auctioned

Rights to use spectrum at specified frequencies in the following bands (subject to fulfilment of eligibility conditions, relevant licence conditions and any particular conditions pertaining to specific frequency blocks) for a period of 20 years (from the date of issue of Letter of Intent (LoI) to assign the spectrum block(s)) are being offered in this Auction.

#### a) **1800MHz Auction**

- Block size shall be of 1.25MHz (Paired).
- 8 blocks each of 1.25MHz (10 MHz) is being put to auction in all 22 Service Areas. In addition, a provision has been made for spectrum up to 3 blocks each of 1.25MHz (3.75MHz), wherever available, for topping up the 8 blocks of spectrum put to auction i.e. up to a total of 11 blocks each of 1.25MHz to meet the requirement of new entrants, if such an exigency arises.
- The existing Licensee will be allowed to bid for a maximum two blocks of 1.25MHz each in each service area.
- A bidder who is a New Entrant in a particular service area will be required to bid for a minimum of 4 blocks each of 1.25MHz in each service area.
- The New Entrant will be allowed to bid for one additional block of 1.25MHz in each service area

#### b) **800MHz Auction**

- Block size shall be of 1.25MHz (Paired). One block of 1.25MHz spectrum signifies actual assignment of 1.23MHz (paired) spectrum.
- 3 blocks each of 1.25MHz (3.75MHz) is being put to auction. In addition, a provision has been made for spectrum of one block of 1.25MHz, wherever available, for topping up the 3 blocks of spectrum put to auction, to meet the requirement of new entrants, if such an exigency arises.

*In the Service Areas of Punjab and Andhra Pradesh, 2 blocks each of 1.25MHz (2.50MHz) is being put to auction.*

- The existing Licensee will be allowed to bid for one block of 1.25MHz only in each service area.
- A New Entrant in a particular service area will be required to bid for a minimum of 2 blocks each of 1.25MHz in each service area.
- The New Entrant will be allowed to bid for one additional block of 1.25MHz in each service area (except Punjab and Andhra Pradesh).

Spectrum usage rights shall be awarded separately for specific service areas.

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The spectrum shall not be used for any activity other than those permitted under CMTS/ UASL or UL (Access Service) for which the successful bidders has / shall obtain the licence. The allotment of spectrum by itself does not confer the right to provide services. The detailed conditions that must be satisfied by potential Bidders in order to participate in the various Auctions are described in Section 3.

Spectrum put for Auction in each of the 22 Service Areas<sup>1</sup> in 1800 MHz band is as per details given in Table 2-A below.

Table 2-A		Frequency Spots in 1800MHz band					
Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers			
				Uplink		Downlink	
				Start	Stop	Start	Stop
1	Andhra Pradesh		1st Block	1719.20	1720.45	1814.20	1815.45
			2nd Block	1720.45	1721.70	1815.45	1816.70
			3rd Block	1721.70	1722.95	1816.70	1817.95
			4th Block	1722.95	1724.20	1817.95	1819.20
			5th Block	1724.20	1725.45	1819.20	1820.45
			6th Block	1725.45	1726.70	1820.45	1821.70
			7th Block	1726.70	1727.95	1821.70	1822.95
			8th Block	1727.95	1729.20	1822.95	1824.20
			9th Block	1729.40	1730.65	1824.40	1825.65
			10th Block	1730.65	1731.90	1825.65	1826.90
			11th Block	1731.90	1733.15	1826.90	1828.15
2	Maharashtra		1st Block	1753.80	1755.05	1848.80	1850.05
			2nd Block	1755.05	1756.30	1850.05	1851.30
			3rd Block	1756.30	1757.55	1851.30	1852.55
			4th Block	1757.55	1758.80	1852.55	1853.80
			5th Block	1758.80	1760.05	1853.80	1855.05
			6th Block	1760.05	1761.30	1855.05	1856.30
			7th Block	1761.30	1762.55	1856.30	1857.55
			8th Block	1762.55	1763.80	1857.55	1858.80
			9th Block	1764.00	1765.25	1859.00	1860.25
			10th Block	1765.25	1766.50	1860.25	1861.50
			11th Block	1767.80	1769.05	1862.80	1864.05

<sup>1</sup> Service area definition is as per the UA / Unified Licence (Access Services) conditions. To clarify, Chennai would be included in the Tamil Nadu service area.

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Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers			
				Uplink		Downlink	
				Start	Stop	Start	Stop
3	Karnataka		1st Block	1733.40	1734.65	1828.40	1829.65
			2nd Block	1734.65	1735.90	1829.65	1830.90
			3rd Block	1735.90	1737.15	1830.90	1832.15
			4th Block	1737.15	1738.40	1832.15	1833.40
			5th Block	1738.40	1739.65	1833.40	1834.65
			6th Block	1739.65	1740.90	1834.65	1835.90
			7th Block	1740.90	1742.15	1835.90	1837.15
			8th Block	1742.15	1743.40	1837.15	1838.40
			9th Block	1743.60	1744.85	1838.60	1839.85
			10th Block	1744.85	1746.10	1839.85	1841.10
			11th Block	1760.20	1761.45	1855.20	1856.45
4	Kerala		1st Block	1719.20	1720.45	1814.20	1815.45
			2nd Block	1720.45	1721.70	1815.45	1816.70
			3rd Block	1721.70	1722.95	1816.70	1817.95
			4th Block	1722.95	1724.20	1817.95	1819.20
			5th Block	1724.20	1725.45	1819.20	1820.45
			6th Block	1725.45	1726.70	1820.45	1821.70
			7th Block	1726.70	1727.95	1821.70	1822.95
			8th Block	1727.95	1729.20	1822.95	1824.20
			9th Block	1729.40	1730.65	1824.40	1825.65
			10th Block	1730.65	1731.90	1825.65	1826.90
			11th Block	1731.90	1733.15	1826.90	1828.15
5	Orissa		1st Block	1710.20	1711.45	1805.20	1806.45
			2nd Block	1711.45	1712.70	1806.45	1807.70
			3rd Block	1712.70	1713.95	1807.70	1808.95
			4th Block	1713.95	1715.20	1808.95	1810.20
			5th Block	1715.20	1716.45	1810.20	1811.45
			6th Block	1716.45	1717.70	1811.45	1812.70
			7th Block	1717.70	1718.95	1812.70	1813.95
			8th Block	1718.95	1720.20	1813.95	1815.20
			9th Block	1720.40	1721.65	1815.40	1816.65
			10th Block	1721.65	1722.90	1816.65	1817.90
			11th Block	1722.90	1724.15	1817.90	1819.15

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Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers			
				Uplink		Downlink	
				Start	Stop	Start	Stop
6	Tamil Nadu (incl. Chennai)		1st Block	1733.40	1734.65	1828.40	1829.65
			2nd Block	1734.65	1735.90	1829.65	1830.90
			3rd Block	1735.90	1737.15	1830.90	1832.15
			4th Block	1737.15	1738.40	1832.15	1833.40
			5th Block	1738.40	1739.65	1833.40	1834.65
			6th Block	1739.65	1740.90	1834.65	1835.90
			7th Block	1740.90	1742.15	1835.90	1837.15
			8th Block	1742.15	1743.40	1837.15	1838.40
			9th Block	1743.60	1744.85	1838.60	1839.85
			10th Block	1720.20	1721.45	1815.20	1816.45
			11th Block	1721.45	1722.70	1816.45	1817.70
7	Kolkata		1st Block	1735.80	1737.05	1830.80	1832.05
			2nd Block	1737.05	1738.30	1832.05	1833.30
			3rd Block	1738.30	1739.55	1833.30	1834.55
			4th Block	1739.55	1740.80	1834.55	1835.80
			5th Block	1740.80	1742.05	1835.80	1837.05
			6th Block	1742.05	1743.30	1837.05	1838.30
			7th Block	1743.30	1744.55	1838.30	1839.55
			8th Block	1744.55	1745.80	1839.55	1840.80
			9th Block	1746.00	1747.25	1841.00	1842.25
			10th Block	1747.25	1748.50	1842.25	1843.50
			11th Block	1726.20	1727.45	1821.20	1822.45
8	Haryana		1st Block	1719.60	1720.85	1814.60	1815.85
			2nd Block	1720.85	1722.10	1815.85	1817.10
			3rd Block	1722.10	1723.35	1817.10	1818.35
			4th Block	1723.35	1724.60	1818.35	1819.60
			5th Block	1758.00	1759.25	1853.00	1854.25
			6th Block	1759.25	1760.50	1854.25	1855.50
			7th Block	1760.50	1761.75	1855.50	1856.75
			8th Block	1761.75	1763.00	1856.75	1858.00
			9th Block	1763.20	1764.45	1858.20	1859.45
			10th Block	1764.45	1765.70	1859.45	1860.70
			11th Block	1743.40	1744.65	1838.40	1839.65

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers			
				Uplink		Downlink	
				Start	Stop	Start	Stop
9	Punjab		1st Block	1754.40	1755.65	1849.40	1850.65
			2nd Block	1755.65	1756.90	1850.65	1851.90
			3rd Block	1756.90	1758.15	1851.90	1853.15
			4th Block	1758.15	1759.40	1853.15	1854.40
			5th Block	1768.60	1769.85	1863.60	1864.85
			6th Block	1769.85	1771.10	1864.85	1866.10
			7th Block	1771.10	1772.35	1866.10	1867.35
			8th Block	1772.35	1773.60	1867.35	1868.60
			9th Block	1747.20	1748.45	1842.20	1843.45
			10th Block	1748.45	1749.70	1843.45	1844.70
			11th Block	1759.60	1760.85	1854.60	1855.85
10	Rajasthan (Partial)		1st Block	1739.20	1740.45	1834.20	1835.45
			2nd Block	1740.45	1741.70	1835.45	1836.70
			3rd Block	1741.70	1742.95	1836.70	1837.95
			4th Block	1742.95	1744.20	1837.95	1839.20
			5th Block	1744.20	1745.45	1839.20	1840.45
			6th Block	1745.45	1746.70	1840.45	1841.70
			7th Block	1746.70	1747.95	1841.70	1842.95
			8th Block	1747.95	1749.20	1842.95	1844.20
			9th Block	1749.40	1750.65	1844.40	1845.65
			10th Block	1750.65	1751.90	1845.65	1846.90
			11th Block	1732.80	1734.05	1827.80	1829.05
11	Jammu & Kashmir		1st Block	1720.40	1721.65	1815.40	1816.65
			2nd Block	1721.65	1722.90	1816.65	1817.90
			3rd Block	1722.90	1724.15	1817.90	1819.15
			4th Block	1724.15	1725.40	1819.15	1820.40
			5th Block	1761.40	1762.65	1856.40	1857.65
			6th Block	1762.65	1763.90	1857.65	1858.90
			7th Block	1763.90	1765.15	1858.90	1860.15
			8th Block	1765.15	1766.40	1860.15	1861.40
			9th Block	1725.60	1726.85	1820.60	1821.85
			10th Block	1726.85	1728.10	1821.85	1823.10
			11th Block	1728.10	1729.35	1823.10	1824.35



## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers			
				Uplink		Downlink	
				Start	Stop	Start	Stop
12	North East		1st Block	1734.00	1735.25	1829.00	1830.25
			2nd Block	1735.25	1736.50	1830.25	1831.50
			3rd Block	1736.50	1737.75	1831.50	1832.75
			4th Block	1737.75	1739.00	1832.75	1834.00
			5th Block	1739.00	1740.25	1834.00	1835.25
			6th Block	1740.25	1741.50	1835.25	1836.50
			7th Block	1741.50	1742.75	1836.50	1837.75
			8th Block	1742.75	1744.00	1837.75	1839.00
			9th Block	1754.00	1755.25	1849.00	1850.25
			10th Block	1755.25	1756.50	1850.25	1851.50
			11th Block	1719.40	1720.65	1814.40	1815.65
13	Madhya Pradesh		1st Block	1718.40	1719.65	1813.40	1814.65
			2nd Block	1719.65	1720.90	1814.65	1815.90
			3rd Block	1720.90	1722.15	1815.90	1817.15
			4th Block	1722.15	1723.40	1817.15	1818.40
			5th Block	1738.00	1739.25	1833.00	1834.25
			6th Block	1739.25	1740.50	1834.25	1835.50
			7th Block	1740.50	1741.75	1835.50	1836.75
			8th Block	1741.75	1743.00	1836.75	1838.00
			9th Block	1743.20	1744.45	1838.20	1839.45
			10th Block	1744.45	1745.70	1839.45	1840.70
			11th Block	1751.00	1752.25	1846.00	1847.25
14	Gujarat		1st Block	1710.20	1711.45	1805.20	1806.45
			2nd Block	1711.45	1712.70	1806.45	1807.70
			3rd Block	1712.70	1713.95	1807.70	1808.95
			4th Block	1713.95	1715.20	1808.95	1810.20
			5th Block	1738.60	1739.85	1833.60	1834.85
			6th Block	1739.85	1741.10	1834.85	1836.10
			7th Block	1741.10	1742.35	1836.10	1837.35
			8th Block	1742.35	1743.60	1837.35	1838.60
			9th Block	1743.80	1745.05	1838.80	1840.05
			10th Block	1745.05	1746.30	1840.05	1841.30
			11th Block	1746.30	1747.55	1841.30	1842.55

**Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications**

Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers				
				Uplink		Downlink		
				Start	Stop	Start	Stop	
15	Himachal Pradesh		1st Block	1721.40	1722.65	1816.40	1817.65	
			2nd Block	1722.65	1723.90	1817.65	1818.90	
			3rd Block	1723.90	1725.15	1818.90	1820.15	
			4th Block	1725.15	1726.40	1820.15	1821.40	
			5th Block	1726.40	1727.65	1821.40	1822.65	
			6th Block	1727.65	1728.90	1822.65	1823.90	
			7th Block	1728.90	1730.15	1823.90	1825.15	
			8th Block	1730.15	1731.40	1825.15	1826.40	
			9th Block	1758.40	1759.65	1853.40	1854.65	
			10th Block	1759.65	1760.90	1854.65	1855.90	
			11th Block	1773.00	1774.25	1868.00	1869.25	
16	Assam		1st Block	1735.20	1736.45	1830.20	1831.45	
			2nd Block	1736.45	1737.70	1831.45	1832.70	
			3rd Block	1737.70	1738.95	1832.70	1833.95	
			4th Block	1738.95	1740.20	1833.95	1835.20	
			5th Block	1722.60	1723.85	1817.60	1818.85	
			6th Block	1723.85	1725.10	1818.85	1820.10	
			7th Block	1725.10	1726.35	1820.10	1821.35	
			8th Block	1726.35	1727.60	1821.35	1822.60	
			9th Block	1756.20	1757.45	1851.20	1852.45	
			10th Block	1757.45	1758.70	1852.45	1853.70	
			11th Block	1740.40	1741.65	1835.40	1836.65	
17	Delhi		1st Block	1723.20	1724.45	1818.20	1819.45	
			2nd Block	1724.45	1725.70	1819.45	1820.70	
			3rd Block	1725.70	1726.95	1820.70	1821.95	
			4th Block	1726.95	1728.20	1821.95	1823.20	
			5th Block	1758.40	1759.65	1853.40	1854.65	
			6th Block	1759.65	1760.90	1854.65	1855.90	
			7th Block	1760.90	1762.15	1855.90	1857.15	
			8th Block	1762.15	1763.40	1857.15	1858.40	
			9th Block	N/A				
			10th Block	N/A				
			11th Block	N/A				

**Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications**

Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers			
				Uplink		Downlink	
				Start	Stop	Start	Stop
18	Mumbai		1st Block	1749.40	1750.65	1844.40	1845.65
			2nd Block	1750.65	1751.90	1845.65	1846.90
			3rd Block	1751.90	1753.15	1846.90	1848.15
			4th Block	1753.15	1754.40	1848.15	1849.40
			5th Block	1762.40	1763.65	1857.40	1858.65
			6th Block	1763.65	1764.90	1858.65	1859.90
			7th Block	1764.90	1766.15	1859.90	1861.15
			8th Block	1766.15	1767.40	1861.15	1862.40
			9th Block	N/A			
			10th Block	N/A			
			11th Block	N/A			
19	Uttar Pradesh (West)		1st Block	1738.60	1739.85	1833.60	1834.85
			2nd Block	1739.85	1741.10	1834.85	1836.10
			3rd Block	1741.10	1742.35	1836.10	1837.35
			4th Block	1742.35	1743.60	1837.35	1838.60
			5th Block	1714.00	1715.25	1809.00	1810.25
			6th Block	1715.25	1716.50	1810.25	1811.50
			7th Block	1716.50	1717.75	1811.50	1812.75
			8th Block	1717.75	1719.00	1812.75	1814.00
			9th Block	1719.20	1720.45	1814.20	1815.45
			10th Block	1720.45	1721.70	1815.45	1816.70
			11th Block	1780.20	1781.45	1875.20	1876.45
20	Uttar Pradesh (East)		1st Block	1723.00	1724.25	1818.00	1819.25
			2nd Block	1724.25	1725.50	1819.25	1820.50
			3rd Block	1725.50	1726.75	1820.50	1821.75
			4th Block	1726.75	1728.00	1821.75	1823.00
			5th Block	1728.00	1729.25	1823.00	1824.25
			6th Block	1729.25	1730.50	1824.25	1825.50
			7th Block	1730.50	1731.75	1825.50	1826.75
			8th Block	1731.75	1733.00	1826.75	1828.00
			9th Block	1733.20	1734.45	1828.20	1829.45
			10th Block	1734.45	1735.70	1829.45	1830.70
			11th Block	1742.20	1743.45	1837.20	1838.45

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Sl. No.	Service Area		Block of 1.25MHz (paired)	Carriers			
				Uplink		Downlink	
				Start	Stop	Start	Stop
21	West Bengal		1st Block	1721.20	1722.45	1816.20	1817.45
			2nd Block	1722.45	1723.70	1817.45	1818.70
			3rd Block	1723.70	1724.95	1818.70	1819.95
			4th Block	1724.95	1726.20	1819.95	1821.20
			5th Block	1759.60	1760.85	1854.60	1855.85
			6th Block	1760.85	1762.10	1855.85	1857.10
			7th Block	1762.10	1763.35	1857.10	1858.35
			8th Block	1763.35	1764.60	1858.35	1859.60
			9th Block	1726.40	1727.65	1821.40	1822.65
			10th Block	1772.20	1773.45	1867.20	1868.45
			11th Block	1773.45	1774.70	1868.45	1869.70
22	Bihar		1st Block	1735.20	1736.45	1830.20	1831.45
			2nd Block	1736.45	1737.70	1831.45	1832.70
			3rd Block	1737.70	1738.95	1832.70	1833.95
			4th Block	1738.95	1740.20	1833.95	1835.20
			5th Block	1724.60	1725.85	1819.60	1820.85
			6th Block	1725.85	1727.10	1820.85	1822.10
			7th Block	1727.10	1728.35	1822.10	1823.35
			8th Block	1728.35	1729.60	1823.35	1824.60
			9th Block	1740.40	1741.65	1835.40	1836.65
			10th Block	1751.80	1753.05	1846.80	1848.05
			11th Block	1753.05	1754.30	1848.05	1849.30

In Rajasthan Service area, spectrum is not available in 11 districts namely Bikaner, Barmer, Bharatpur, Dausa, Ganganagar, Hanumangarh, Jodhpur, Jaipur, Jaisalmer, Jalore & Sirohi.

The Government reserves the right to change the above frequencies without assigning any reason at any point of time in the 1710-1785MHz paired with 1805-1880MHz (1800MHz band).

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

In the case of the 800MHz Auction, the Government shall auction 3 blocks, each of 1.25MHz (paired) in each of the 19 Service Areas<sup>2</sup> as per details given in Table 2-B below. In two Service Areas of Punjab and Andhra Pradesh, the Government shall auction 2 blocks, each of 1.25MHz (paired). No spectrum is being auctioned in the Service Area of Rajasthan.

Table 2-B		Frequency Spots in 800MHz band							
Sl. No.	Service Area	1st Block of 1.25 MHz		2nd Block of 1.25 MHz		3rd Block of 1.25 MHz		4th Block of 1.25 MHz	
		U/L	D/L	U/L	D/L	U/L	D/L	U/L	D/L
1	Delhi	841.59	886.59	842.82	887.82	829.02	874.02	NIL	
2	Mumbai	830.25	875.25	831.48	876.48	833.01	878.01	NIL	
3	Kolkata	835.17	880.17	836.40	881.40	832.08	877.08	NIL	
4	Maharashtra	830.25	875.25	831.48	876.48	833.01	878.01	NIL	
5	Gujarat	827.79	872.79	829.02	874.02	836.07	881.07	838.53	883.53
6	Andhra Pradesh	841.59	886.59	842.82	887.82	NIL		NIL	
7	Karnataka	841.59	886.59	842.82	887.82	829.02	874.02	834.54	879.54
8	Tamil Nadu	841.59	886.59	842.82	887.82	829.02	874.02	834.54	879.54
9	Kerala	841.59	886.59	842.82	887.82	829.02	874.02	830.55	875.55
10	Punjab	829.02	874.02	834.24	879.24	NIL		NIL	
11	Haryana	841.59	886.59	842.82	887.82	834.54	879.54	840.06	885.06
12	Uttar Pradesh (West)	841.59	886.59	842.82	887.82	829.02	874.02	835.77	880.77
13	Uttar Pradesh (East)	841.59	886.59	842.82	887.82	829.02	874.02	834.54	879.54
14	Rajasthan	NIL		NIL		NIL		NIL	
15	Madhya Pradesh	830.55	875.55	831.78	876.78	825.03	870.03	834.24	879.24
16	West Bengal	835.77	880.77	837.00	882.00	831.78	876.78	842.82	887.82
17	Himachal Pradesh	841.59	886.59	842.82	887.82	835.77	880.77	840.06	885.06
18	Bihar	841.59	886.59	842.82	887.82	829.02	874.02	834.54	879.54
19	Orissa	841.59	886.59	842.82	887.82	834.54	879.54	840.06	885.06
20	Assam	841.59	886.59	842.82	887.82	834.24	879.24	839.76	884.76
21	North East	841.59	886.59	842.82	887.82	834.24	879.24	839.76	884.76
22	Jammu & Kashmir	841.59	886.59	842.82	887.82	829.02	874.02	840.06	885.06

The Government reserves the right to change the above frequencies without assigning any reason at any point of time in the 824-844MHz paired with 869-889MHz (800MHz band).

<sup>2</sup> Service area definition is as per the UAS / Unified licence (Access Services) conditions. Chennai would be included in the Tamil Nadu service area.

## **2.2 Backhaul Spectrum**

Allotment of spectrum for individual point-to-point fixed links i.e. Microwave Backhaul Spectrum would be subject to separate application and the allotment of the same is not linked to the compliance of roll out obligations. The allotment of backhaul spectrum is subject to the usual processes, terms and conditions, and applicable charges. The Government shall make available spectrum for these purposes under the terms and conditions specified by the WPC Wing, subject to availability. However, it must be noted that these frequencies are not part of the Auctions, and payment of the Successful Bid Amount does not ensure allotment of backhaul spectrum. Separate charges as prescribed from time to time, are payable for backhaul spectrum.

## **2.3 Technology**

There are no restrictions on the technology to be adopted for providing services within the scope of the service license using spectrum blocks allotted through this auction. The successful bidder shall provide details of the technology proposed to be deployed for operation of its services using spectrum blocks allotted through this auction within one month of obtaining the licence, if the technology happens to be other than GSM/ CDMA/ WCDMA. In case of change of technology, while rolling out the networks for compliance of roll out obligations, information regarding the new technology should be given at least one year before any new technology Base Station site is offered for testing. The technology should be based on standards approved by ITU/TEC or any other International Standards Organization/ bodies/ Industry.

Existing Licensees will be allowed to use the additional spectrum block(s) allotted through this auction to deploy any technology by combining with their existing spectrum holding in the same band after converting their entire existing spectrum holding into liberalised spectrum in the same band as per the terms and conditions to be specified.

Existing CMTS/ UAS licensees can liberalise their existing spectrum holding in 1800MHz band after payment of auction determined price.

In case of a change of technology, by the licensee following must be ensured:

- (i) Continuity of coverage, provisioning, delivery, quality of services in the network deployed with earlier technology.
- (ii) Licensee will be required to submit the test reports as per test schedule/ procedure to the licensor who may also carry out sample verification.
- (iii) For use of technology other than GSM, CDMA, WCDMA, LTE and WiMAX, prior clearance will be required. Introduction of any new technology should not cause harmful interference to the already operating technologies either in the same band or in the adjacent bands.

### 3 Eligibility and Conditions

*This section describes the conditions prospective Bidders must satisfy in order to participate in the Auctions.*

#### 3.1 Eligibility criteria to participate in the Auctions

a) **The 1800MHz Auction**

- (i) Any entity that holds a UAS/ CMTS licence; or
- (ii) Any entity that gives an undertaking to obtain a Unified Licence (Access Services) through a New Entrant Nominee as per the DoT guidelines / licence conditions before starting telecom operations

can bid for 1800MHz spectrum (subject to other provisions of the Notice)

b) **The 800MHz Auction**

- (i) Any entity that holds a UAS/ CMTS licence; or
- (ii) Any entity that gives an undertaking to obtain a Unified Licence (Access Services) through a New Entrant Nominee as per the DoT guidelines / licence conditions before starting telecom operations;

can bid for 800MHz spectrum (subject to other provisions of the Notice).

Eligibility with regard to the number of blocks a bidder can bid depends on its categorization as an 'Existing Licensee' or a 'New Entrant'. Details may be seen below in **Section 3.2**.

#### 3.2 Associated Eligibility Conditions

- (i) The companies/ licensees whose licenses are slated to be quashed as per the direction of Supreme Court will be treated as 'New Entrants' and will be required to fulfil the conditions stipulated both for bidding and for obtaining a Unified Licence (Access Service) as per the DoT guidelines.
- (ii) Existing UASL/CMTS licensees shall be treated as 'New Entrant' in those service area(s) for the frequency bands in which they do not hold spectrum at present. In other words, UAS/CMTS licensees who hold either spectrum in 1800/900 MHz only or 800 MHz band only in a particular service area, are also allowed to participate in the auction as 'new entrant' in that service area for the frequency band in which they do not hold spectrum at present. Their eligibility to bid for spectrum blocks in that particular service area will be that of a new entrant. They will also need to comply with conditions for spectrum allotment and other prescribed conditions such as rollout obligations, PBG, FBG etc. Such Licensee, on becoming a Winning Bidder in the auction, will be eligible to migrate to final UL regime as and when it is announced, subject to such conditions as prescribed for such migration.

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

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- (iii) Existing UASL/CMTS licensees shall be treated as 'Existing Licensee' in those service areas for the frequency band(s) in which they already hold spectrum. Their eligibility to bid for spectrum blocks will be that of an existing operator. For the limited purpose of this provision, 900MHz band and 1800MHz band will be treated as the same band.
- (iv) Licensees who do not hold UAS/ CMTS License may participate in the auction process as a 'New Entrant'. Such licensees, will need to obtain a UL (Access Services) for those service area(s) in which it is a Winning Bidder, in addition any licence(s) held by them currently.
- (v) Companies (not an existing licensee) will be treated as 'New Entrants' and will have to obtain a Unified License (Access Services).
- (vi) Licensees covered by the note under clause 1.4 of UAS licence condition are allowed to bid only for the spectrum band which they currently hold. For the limited purpose of this provision, 900 MHz and 1800 MHz will be treated as same band.
- (vii) For the purpose of this auction, a cap of 25% of the 'total spectrum assigned' in all bands put together and 50% within a given band in each service area shall apply for total spectrum holding by each operator. For the purpose of calculation of the cap in this auction, the spectrum put to auction, excluding top up spectrum, would be included in the 'total spectrum assigned'. This cap will be applicable as on the last date of application for participating in Auction.
- (viii) A Unified Licence (Access Services) can only be awarded to an Indian Company<sup>3</sup>. Hence, any foreign applicants will need to form or acquire, an Indian company, to obtain a Unified Licence (Access Services). However, they are allowed to participate in the auctions directly and apply for a Unified Licence (Access Service) subsequently through an Indian company, where they hold at least 26% equity stake, with a maximum foreign equity of 74% as per extant guidelines. Applicants are advised to also see details at [http://dipp.nic.in/English/Policies/FDI\\_Circular\\_01\\_2012.pdf](http://dipp.nic.in/English/Policies/FDI_Circular_01_2012.pdf).
- (ix) For participating in auctions, the net worth requirement would be Rs. 100 Crore for each service area except for J&K and NE Service Areas, where it will be Rs. 50 Crore for each service area. This net worth requirement is applicable in case of 'new entrants'. This net worth requirement is to be met at the time of application for participation in the auction.
- (x) For participation in the auction for allotment of spectrum, net worth of those promoters having at least 10% paid up equity holding in the applicant company shall also be taken into consideration.

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3 "Indian Company" refers to a Company registered under the Companies Act, 1956.



- (xi) The Applicant Company shall have a minimum paid up equity capital equal to one tenth of net worth prescribed above and shall submit a certificate to this effect (provided by the Company Secretary/ Statutory Auditors of the applicant company and countersigned by duly authorized Director of the Company) while applying for participation in the auction of spectrum. This paid up equity requirement would be in addition to the prescribed paid up equity for obtaining UL (Access Services).
- (xii) The minimum paid-up equity and networth requirements for obtaining UL (Access Services) including the additional paid up equity and networth requirements prescribed for obtaining the spectrum shall be met and maintained till the validity period of the licence.
- (xiii) **Lock-in Conditions:** There shall be a Lock-in period for equity of a person whose share capital is 10% or more in the bidding company / Group Bidding Entity/ Associated Licensee/ Nominee Company on the effective date of UL (Access Services) and whose net worth has been taken into consideration for determining the eligibility for bidding for spectrum, till completion of 3 years from the date of allotment of spectrum or till fulfilment of all the Roll-out obligations prescribed in the NIA, whichever is later.

### 3.3 Unified License (Access Services) – Key Features

The new entrants shall have to obtain a 'Unified License (Access Services)' in each Service Area herein after called UL (Access Services).

1. The license shall be governed by the provisions of the Indian Telegraph Act 1885, the Indian Wireless Telegraphy Act 1933 and the Telecom Regulatory Authority of India Act 1997 as modified or replaced from time to time.
2. Subject to fulfilment of relevant eligibility conditions, License shall be issued on non-exclusive basis.
3. The applicant must be an Indian Company, registered under the Indian Companies Act, 1956.
4. The Applicant Company shall have to be in compliance with the relevant provisions of FDI policy of the Government and such modifications to the policy as may be issued from time to time. The relevant provisions may be seen at [http://dipp.nic.in/English/Policies/FDI\\_Circular\\_01\\_2012.pdf](http://dipp.nic.in/English/Policies/FDI_Circular_01_2012.pdf)
5. FDI shall be subject to laws of India and not the laws of the foreign country/countries.
6. The Applicant Company shall have a minimum net worth as well as paid up equity capital of Rs 2.5 Crore for each service area on the date of application for obtaining UL (Access Services) and shall submit a certificate to this effect (provided by the Company Secretary/ Statutory Auditors of the applicant company and countersigned by duly authorized Director of the Company) along with the application. The net worth of

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promoters shall not be counted for determining the net worth of the company. In case of acquiring Unified License (Access Services) in any other licensed area, the Licensee shall maintain additional net-worth and paid up equity as prescribed above for that service area. The net worth requirement for UL (Access Services) is summarised below:

7. Net worth and Paid up equity requirement: Rs. 2.5 crore for each service area.
8. Total minimum net worth and Paid up equity required for more than one licensed area:
9. Rs 2.5 crore x number of service areas for which LOI/License have been issued and applied for in the name of the applicant.
10. License will be given based on the information /certificates submitted by the applicant with the condition that at a later date if the information is found wrong the license shall be liable to be terminated.
11. Entry fee (Non-refundable): Rs. 1 (One) Crore for each Service Area Level UL (Access Services) except for Jammu & Kashmir (J&K) and North East (NE) Service Areas where Entry Fee shall be Rs. 50 (Fifty) lakhs each.
12. In addition to the one time non-refundable Entry Fee, Annual License Fee as a percentage of AGR will be payable as per the rates specified by DoT.
13. On being successful bidder in the auction as new entrant, Unified License (Access Services) will enable the Licensee to deliver all services which are being provided by the current UAS Licensees under the scope of the licence. Such licensees will be eligible to migrate to final UL regime as and when it is announced, subject to such conditions as prescribed for such migration.
14. For the purposes of final UL regime, to which the existing licensees as well as UL (Access Service) licensees will have the option to migrate, the bidders may see the provisions of NTP-2012, which inter alia includes the provision: "To move towards Unified Licence regime in order to exploit the attendant benefits of convergence, spectrum liberalization and facilitate delinking of the licensing of Networks from the delivery of Services to the end users..."
15. Upper limit of penalty for violation of licence conditions will be Rs 50 Crore per service area in each case.
16. Application fee (non-refundable) for licence will be Rs 50000/- per service area.
17. Application procedure shall be prescribed separately.
18. PBG for the licence shall be Rs 10 Crore per service area in addition to the PBG related to the rollout obligation.
19. FBG for the licence shall be initially Rs 2 Crore per service area to be reviewed on six monthly basis and shall be equivalent to estimated sum payable equivalent to licence fee for 2 quarters and other dues, not otherwise securitised and any additional amount as deemed fit by the licensor.

20. Licensee shall make its own arrangements for all infrastructure involved in providing the service and shall be solely responsible for installation, networking, operation and commissioning of necessary equipment and applicable systems, treatment of subscriber complaints, issue of bills to its subscribers, attending to claims and damages arising out of his operations.
21. Sharing of active/passive infrastructure shall be as per the guidelines issued by DoT from time to time.
22. The Licensee shall comply with the security conditions, inter alia, relating to inspection of the installation/establishments, audit of networks, security of the network, restriction on employment of foreign nationals, transfer of information outside the country, remote access, monitoring of networks, confidentiality of information relating to subscriber data and any other condition imposed by DoT from time to time. Detailed conditions will be provided in the License.
23. Cross holding of substantial equity requirements as in UAS licence will apply.
24. The Government reserves the right to amend the licence conditions and guidelines from time to time.

### 3.4 Associated Licensees

For the purpose of the Auctions, Associated Licensees are defined as existing UAS/ CMTS licensees that are controlled by a single entity, which also has at least 26% shareholding, directly or indirectly, in the company (the “Common Parent”). In the case of licensees that are listed on recognised stock exchanges<sup>4</sup>, a company of the Promoter group<sup>5</sup> would also qualify as a Common Parent, regardless of the level of shareholding.

For the purpose of any of the Auctions, Associated Licensees corresponding to a single Common Parent shall be required to nominate a single entity (either one of the Associated Licensees or the Common Parent) which shall be authorised to bid on their behalf (the “Group Bidding Entity”).

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4 “Recognised stock exchanges” refers to stock exchanges recognised by the Securities and Exchange Board of India (SEBI).

5 Definition of “Promoter group” would be the applicable SEBI definition as contained in the most recent Securities and Exchange Board of India - Disclosure and Investor Protection Guidelines, 2000 issued by SEBI and updated from time to time.

In case a Group Bidding Entity is declared the Successful Bidder in any service area and there is an Associated Licensee corresponding to the Group Bidding Entity in that service area, then the Government shall assign the spectrum to that Associated Licensee. In such a case, the Group Bidding Entity and the Associated Licensee shall both be jointly and severally liable for the performance of the Bid obligations. It is not possible to have more than one Associated Licensee in any service area.

In case a Group Bidding Entity is declared the Successful Bidder in any service area and there is no Associated Licensee corresponding to the Group Bidding Entity in that service area, then the Government shall assign the spectrum to the Group Bidding Entity or one of its Associated Licensees of any other Service Area that acquires a Unified licence (Access Services) (“Nominee Licensee”) in that service area.

In case the Nominee Licensee is different from the Group Bidding Entity, the Group Bidding Entity and the Nominee Licensee shall both be jointly and severally liable for the performance of the Bid obligations.

More than one Associated Licensee having the same Common Parent shall not be allowed to enter any of the Auctions, even if they intend to bid for different non overlapping combination of Service Areas.

### **3.5 Prospective New Entrants**

Prospective Bidders who do not have a UAS / CMTS licence (for the Spectrum Auction), shall be permitted to enter either of these Auctions subject to the provisions of Section 3.2. However, it is clarified that a Prospective New Entrant who is pre-qualified for the auction or is declared a Successful Bidder shall obtain a Unified Licence (Access Services) which is without spectrum.

Prospective New Entrants are advised to ensure that they satisfy the conditions for the award of a Unified Licence, as applicable including other mandatory clearances / approval required for grant of license. This includes the relevant provisions for making an FDI into the telecom services sector in India. It must be noted by prospective Bidders that FIPB approval is contingent on security clearances and, under certain circumstances, could take considerable time. Accordingly, such Bidders are advised to initiate the process of getting approvals from the FIPB at the earliest, as such approvals are available for entities with an intent to invest as well as those that have already made such investments.

In the 1800MHz and 800MHz band, if the Successful Bidder is a Prospective New Entrant, the spectrum shall be assigned to a Company nominated by the Successful Bidder which acquires a Unified licence (Access Services) in the relevant service area(s) and in which the Successful Bidder has a minimum holding of at least 26% (directly or indirectly) (“New Entrant Nominee Unified Licensee”), or to a Company which is an existing UAS licensee where the Successful Bidder has acquired at least 26% stake and which has not been awarded Spectrum as part of the current Auction. In such a case, both the Successful Bidder

and the New Entrant Nominee Unified Licensee or the acquired company, as applicable, shall be jointly and severally liable for the performance of the Bid obligations.

### **3.5.1 New Entrants – Foreign Entities**

Foreign entities are permitted to participate in the Auctions, subject to the provisions of Section 3.2. However, the Unified Licence (Access service) conditions and the FDI provisions imply that such a foreign entity can operate a telecom service in India only through an Indian company with not more than 74% foreign shareholding (subject to the approval of the FIPB for the foreign shareholding in excess of 49%).

However interested foreign entities are allowed to participate in the Auctions directly, and obtain a licence subsequently, either through application for a new licence or through acquisition of an existing licensee (subject to the applicable M&A guidelines).

FIPB approval is contingent on security clearances and, under certain circumstances, could take considerable time. Accordingly, such Bidders are advised to initiate the process of getting approvals from the FIPB at the earliest opportunity, as such approvals are also available for entities with intent to invest.

## **3.6 Roll-out obligations**

The licensee to whom the spectrum is assigned shall have a network rollout obligation as detailed in this section. The obligation reflects the need both to ensure the efficient use of spectrum and provide a reasonable level of service to a wide cross-section of customers.

### **3.6.1 Roll-out Obligations for Spectrum in 1800MHz and 800MHz Band**

- (i) The Successful Bidder shall make its own arrangements for all infrastructure involved in rolling out of the network and shall be solely responsible for installation, networking and operation of necessary equipment and systems.
- (ii) The Successful Bidder shall make its own arrangements for Right of Way (ROW) and other necessary permissions/ clearances required as per relevant laws/ regulations/ directions of the respective agencies for rolling out the network. The Central Government has already issued necessary notification conferring the requisite powers upon the licensees for the purposes of placing telegraph lines under Part III of the Indian Telegraph Act, 1885. Non-availability of the ROW or delay in getting permission/ clearance from any agency shall not be construed or taken as a reason for non-fulfilment or delay in compliance of the Roll-out obligations and shall not be taken a valid excuse for not carrying any obligations imposed by the terms of this NIA.
- (iii) The Successful Bidder shall make arrangements for interconnection with other networks in that LSA for carrying inter-network local and long distance traffic,

billing of SERVICE and treatment of SUBSCRIBER complaints as part of the rollout of network.

- (iv) The 'New Entrant' will have to fulfil rollout obligations as provided in the existing UAS license with the option of sharing of passive infrastructure as presently permissible. All existing Access Service licensees shall be treated as 'New Entrant' for the bidding in those frequency bands in which they do not hold spectrum at present in that particular service area. The companies/licensees whose licenses are slated to be quashed as per the direction of Supreme Court will need to re-offer the network to the TERM cells for testing of the compliance of rollout obligations in case the network already been established.
- (v) Over and above the roll out obligation mentioned in clause (iv) above, the 'New Entrant' as well as the 'Existing licensee' acquiring spectrum in the auction will have following roll out obligations:
  - a) At least 10% of the Block Headquarters (BHQs) of the Licensed Service Area (LSA) shall be covered by the end of three years from the effective date of Licences or date of allotment of spectrum won in the auction process, whichever is later. Additional 10% of the Block Headquarters of the LSA shall be covered in each of two subsequent years i.e. at least 20% and 30% coverage of the block headquarters of the LSA has to be achieved at the end of 4th and 5<sup>th</sup> year respectively. The list of Block Headquarters (BHQs) and its 'to the scale' Map(s) will have to be obtained by the successful bidder from the respective State Governments/ Administrations/ local bodies. The boundary of the Block Headquarters will be as per map/ definition given by the State Government/ Administration/ Local Body concerned. In cases where District Headquarter/ Town (DHQ/ town) happens to be BHQ also, that particular DHQ/ town or BHQ would be considered as part of compliance of any one phase of rollout obligation only, as per the choice of licensee.
  - b) Each milestone of the rollout obligations as mentioned in the clause (iv) and clause (v) (a) above, would be considered as separate phase of rollout obligations. Thus for a 'New Entrant', there will be five phases of rollout obligations and for the 'Existing Licensee' acquiring spectrum in this auction process, there will be three additional phases of rollout obligations.
  - c) Coverage of Block Headquarters would mean that at least 90% of the area bounded by the local body limits should get the required street level coverage by mandatorily setting up of Base station(s) (for example a BTS / node B/ e-node B) in the Block Headquarters.
  - d) 'Existing Licensee' may offer coverage of Block Headquarters already achieved in accordance with stipulation in clause (v)(c) above as a part of compliance towards roll out obligation. However, testing of the coverage already achieved will be carried out by DoT as per prescribed test schedule/ procedure. The coverage of the BHQs as per the above mentioned rollout obligations will be

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- over and above the DHQs/ towns covered as part of the existing rollout obligations mentioned in the UASL.
- e) The choice of Block Headquarters to be covered and further expansion beyond 30% Block Headquarters shall lie with the Licensee depending on their business decision.
  - f) In case of existing licensees having spectrum in both the bands (i.e. 900/1800MHz Band and 800MHz Band), the roll out obligation shall be applicable in respect to the network deployed using the spectrum acquired through auction. Accordingly, the roll out already achieved shall be counted in the same spectrum band. The roll out obligation relates to frequency band in which the spectrum is acquired through auction. For this purpose, 900MHz band and 1800MHz band will be treated as the same band.
  - g) While the obligations under clause (iv) above will have to be met by setting up owned infrastructure with sharing of passive infrastructure as presently permissible i.e. on the date of issue of this NIA, the 'New Entrants' and the 'Existing Licensee' will have the flexibility to meet the roll out obligation mentioned in clause (v) (a) & (c) through shared infrastructure to the extent permissible as per guidelines/ instructions applicable from time to time. However it may be noted that rollout obligations cannot be complied with using the Intra Service Area roaming arrangements.
  - h) In the case of Metro Service Area, there will be no obligation relating to Block Headquarters for the 'New Entrant' as well as 'Existing licensee'. However, the rollout obligations mentioned in clause (iv) above, which includes the rollout of the network in the Metro LSA's, as provided in the existing UAS license, will have to be fulfilled.
- (vi) The number of Block Headquarters will be taken as existing on the date of issue of the Notice Inviting Applications (NIA) for auction of spectrum.
  - (vii) For calculation of number of BHQs to be covered, the fraction which comes to 0.5 or above shall be rounded off to the next whole number and if the fraction is less than 0.5 it shall be ignored.
  - (viii) In case of change of technology by the licensee, while rolling out network for compliance of the rollout obligations, following will be required:
    - a) Continuity of coverage, provisioning, delivery, quality and services in the network deployed with earlier technology is to be ensured.
    - b) Licensee may be required to submit the test reports as per test schedule/ procedure, in respect of Base Station sites already tested as part of compliance of rollout obligations, to the licensor who may also carry out sample verification.

- c) Licensee may fulfil the remaining part of rollout obligations with later technology as per test schedule/ procedure for that technology.
  - d) Change in technology, if any, while rolling out network for compliance of the rollout obligations, should be informed to the licensor at least one year before any new technology Base Station site is offered for testing, so that Test Schedule Test Procedure (TSTP) for that technology can be finalized.
- (ix) In cases where allocation of spectrum based on this auction is in less number of BHQs/ DHQs (i.e. less than prescribed percentage of the BHQs or DHQs for any phase) in a particular LSA, rollout obligation shall get limited to rollout of network in all BHQs/ DHQs where spectrum is allocated in the LSA.
- (x) As the allotment of spectrum for individual point-to-point fixed links i.e. Microwave Backhaul Spectrum would be subject to separate application and the allotment of the same is not linked to the compliance of rollout obligations. For compliance of the rollout obligations, the successful bidder has to make its own arrangements for transmission media required for connecting the network equipments etc. The allotment of backhaul spectrum is subject to the usual processes, term and conditions and applicable charges. The Government shall make available spectrum for these purposes under the terms and conditions specified by the WPC wing, subject to availability. However, it must be noted that these frequencies are not part of the Auctions, and the payment of the Successful Bid Amount does not ensure the allotment of backhaul spectrum. Separate charges, as prescribed from time to time are payable for backhaul spectrum.
- (xi) The Successful Bidder shall ensure the rollout of network using the spectrum band won in this auction process as per the rollout obligations mentioned above. Rollout coverage testing will be carried out as per test schedule/ procedure (TSTP). Currently TSTP for GSM/WCDMA and CDMA technologies are available. The same would be updated as per rollout obligations mentioned here. The licensee will have to inform the choice of technology other than those mentioned above within one month of obtaining the licenses so that the test schedule can be prescribed. The licensee will have to continue its roll out of network without linking it with the availability of test schedule/ procedure.
- (xii) For the purpose of verification of the rollout of the network and coverage testing as mentioned above, Successful Bidder shall register with the respective TERM cells of DoT. While registering with the TERM cell, he will also indicate the phase number for which the Base Station site is being registered.

The phase numbers of individual phases of rollout obligations are as follows:

Phase 1: Coverage of 10% DHQs/ Towns.

Phase 2: Coverage of 50% DHQs/ Towns.

Phase 3: Coverage of 10% BHQs.

Phase 4: Coverage of additional 10% BHQs (Cumulative 20% BHQs).



Phase 5: Coverage of additional 10% BHQs (Cumulative 30% BHQs).

Date of registration by concerned TERM cell is to be treated as date of meeting the roll-out obligation in case of successful verification of the rollout of the network and coverage testing as per TSTP for the purpose of compliance of rollout obligations and for calculating liquidated damages, if applicable, in terms of Condition No (xiii) mentioned below. If the verification of the rollout of the network and coverage testing fails as per TSTP, then the Successful Bidder shall re-register with the respective TERM cells of DoT and in that case, Date of re-registration by concerned TERM cell is to be treated as date of meeting the roll-out obligation subject to successful verification as per TSTP.

(xiii) **Liquidated Damages**

- a) The time period for roll out of network as per the rollout obligations mentioned above using the spectrum band won in this auction process, shall be deemed as the essence of the contract and the network must be rolled out not later than such specified time period(s). No extension in prescribed due date will be granted. If the network, for a particular phase, is rolled out after the expiry of the due date and is registered by the licensor for the purpose of testing, such delay in rollout of network will entail recovery of Liquidated Damages (LD) under this Condition. Provided further that if the rollout of the network, for a particular phase, is effected within 15 calendar days of the expiry of the due date then the Licensor shall accept the rollout of network without levy of LD charges.
- b) At present, minimum 60 calendar days duration is prescribed for grant of SACFA clearance. While examining the compliance of rollout obligations, the average delay in grant of the SACFA clearance beyond the above mentioned prescribed duration shall be excluded from the duration set for each phase of rollout obligations in the clauses (iv) and (v)(a) above. For the purpose of calculating the delay in grant of SACFA clearance of individual Base Station site, the date of 'WPC acceptance number' for SACFA clearance application would be treated as the 'start date' and the date on which the SACFA clearance is granted in the online system of WPC would be considered as the 'end date'. The difference between the 'start date' and 'end date' after excluding the above mentioned prescribed period would be considered as the delay in grant of SACFA clearance for that Base Station site for the limited purpose of calculating the delay in compliance of rollout obligations. If the SACFA clearance for a particular Base Station site has been granted within prescribed duration, then for that particular site, delay would be considered as 'zero' days.
- c) After working out the delay in grant of SACFA clearance as per above mentioned procedure for each Base Station site offered for coverage testing,

an average of all these delays would be taken for calculating the 'average SACFA delay' on the part of licensor. For the purpose of 'average SACFA delay' calculations, delay in grant of SACFA clearance of only those Base Station sites would be considered which are registered with TERM cell for coverage testing of that particular phase of rollout obligations.

- d) In case the Successful bidder fails to rollout the network or any part thereof, for a particular phase, within the period prescribed for the same, the Licensor shall be entitled to recover LD charges for that phase separately @ Rs. 5 Lakhs (Rupees: Five Lakhs) per week for first 13 weeks; @ Rs 10 Lakhs for the next 13 weeks and thereafter @ Rs. 20 Lakhs for 26 weeks subject to a maximum amount of Rs. 7.00 Crores for each phase. For delay of more than 52 weeks in any phase, in addition to imposition of maximum amount of LD as mentioned above, the spectrum assigned based on this auction process may be withdrawn. The PBG shall be encashed to the extent of LD amount, if the same is not paid within the time period specified in the notice for recovery of LD. For the purpose of calculation of delay in compliance of rollout obligations, the week shall mean 7 Calendar days from (from midnight) Monday to Sunday; both days inclusive and any extra day shall be counted as full week for the purposes of recovery of liquidated damages.

(xiv) **Performance Bank Guarantee**

- a) Performance Bank Guarantee (PBG) in prescribed format shall be submitted for amount equal to Rs. 35.00 Crores by the 'New Entrant' and Rs. 21.00 Crores by 'Existing Licensee' valid for a minimum period of six years before signing the Licence Agreement. The validity period of PBG can be further extended by the licensor depending upon the requirement for a period not exceeding two years from the due date of expiry of the earlier PBG.
- b) The PBG may be released only after the complete testing/ verification of the compliance of the rollout obligations by the licensor and the recovery of the LD, if any, up to the last phase of rollout obligations.

### 3.7 Spectrum usage charges

A spectrum usage charge in addition to the spectrum auction price as a percentage of the Adjusted Gross Revenue (AGR) shall be payable by the successful bidder as per the rates notified by the Government from time to time. Spectrum usage charges shall be payable as per the slabs/ rates notified by the Government from time to time.

The present spectrum usage charges are mentioned below:

<b>Schedule A: Charges for GSM operators (Applicable for 1800MHz band)</b>	
<b>Spectrum Slab</b>	<b>% of AGR</b>

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Up to 4.4 MHz	3%
Up to 6.2 MHz	4%
Up to 8.2 MHz	5%
Up to 10.2 MHz	6%
Up to 12.2 MHz	7%
Up to 15.2 MHz	8%

<b>Schedule B: Charges for CDMA operators (Applicable for 800MHz band)</b>	
<b>Spectrum Slab</b>	<b>% of AGR</b>
Up to 5 MHz	3%
Up to 6.25 MHz	4%
Up to 7.5 MHz	5%
Up to 10 MHz	6%
Up to 12.5 MHz	7%
Up to 15 MHz	8%

The following shall be considered while computing the annual spectrum charges:

- Applicable (Adjusted Gross Revenue) AGR shall be computed in accordance with the provisions of the relevant service licence;
- Annual spectrum charges shall be applicable from the date of award of right to use allotted spectrum.
- For the purpose of calculation of spectrum usage charge, there shall be a minimum AGR which shall be not less than 5% of the bid amount. The calculation of spectrum usage charges shall be on the basis of minimum AGR or the actual AGR whichever is higher.
- Spectrum being allocated via this auction will be added for determining the slab for Spectrum Usage Charges.

### 3.8 Duration

The validity period of the Spectrum in 1800MHz and 800MHz band won in this auction shall be 20 years from the date of issue of Letter of Intent (LoI) (the 'Effective Date'). In case the UAS License/ CMTS License/ UL (Access Services) is cancelled/ terminated for any reason, the spectrum usage rights shall stand withdrawn forthwith. If the period of an existing UAS License/ CMTS License/ UL (Access Services) of an operator expires before the expiry of the right to use the Spectrum awarded by means of the current Auction, then the Licensee will have to obtain UL (Access Services) / Unified License as may be applicable.

### **3.9 Breach, revocation and surrender**

The spectrum allotment/ assignment may be revoked, withdrawn, varied or surrendered in accordance with applicable licence conditions or any other applicable laws, rules, regulations or other statutory provisions.

The spectrum allotment/ assignment may also be curtailed / revoked if the Government determines the user of the spectrum to be in serious breach of any of the conditions of the allotment of the spectrum (including adherence to the Auction Rules) and the consequent obligations. In case of less serious breaches, the Government may impose penalties at its discretion. Seriousness of the breach shall be determined by the Government at its sole discretion.

In case neither the Successful Bidder nor any of its Associated Licensees has the relevant service license for a service area where it has been declared a Successful Bidder, it must apply for, or otherwise acquire the relevant service license in the service area in accordance with the terms of the Notice (NIA), failing which the Government shall have the right to revoke the spectrum or curtail the period of validity of the spectrum allotment.

If at any stage, the spectrum allotment is revoked, withdrawn, varied, surrendered or curtailed no refund will be made. The Bank Guarantees may also be invoked to recover any payable dues.

## 4 Auction Details

### 4.1 General Conditions

#### 4.1.1 Confidentiality

Confidential Information means any non-public information which, if known to other Bidders, would be likely to affect the price that the other Bidders would be prepared to bid in the Auctions or the bidding strategy that other Bidders would adopt. Such Confidential Information shall include (but not necessarily be limited to) the Bidder's business case, auction strategy and the highest price it is willing to bid for spectrum in any service area. Any party to whom Confidential Information in relation to a Bidder is disclosed is deemed to be an Insider in relation to that Bidder. Bidders and Insiders must not convey Confidential Information to any other person, including another Bidder or its Insiders.

Bidders shall also not be permitted to disclose the status of their participation, including whether they continue to bid in any or all service areas, in any of the Auctions, until the completion of the relevant Auction.

#### 4.1.2 Directors, employees and advisers

No person, whether individual or corporate, can act for, or on behalf of, or advise more than one Bidder that is participating in any of Auctions (the Auction for 1800MHz band or for 800MHz band) in respect of the Auctions.

#### 4.1.3 Anti- competitive activity

Bidders must not enter into any arrangements with suppliers of equipment or software that would restrict the supplier's ability to supply such equipment or software to other Bidders for the purposes of planning, building or operating a network utilising the frequencies to be auctioned. Bidders are also not permitted to agree with suppliers of equipment or software any form of restriction as to the prices charged or other terms and conditions that such suppliers may agree with any other Bidder.

### 4.2 Application Requirements

#### 4.2.1 Application format and procedure for submission

In order to pre-qualify for the Auctions, prospective Bidders must submit an Application before the last date for submission of such applications, as per the following requirements.

Separate Applications are required for the 1800MHz Auction and the 800MHz Auction, in the prescribed formats. Formats for Application and various undertakings are provided in Section 9.3 (Annexures).

Applicants should inform the DoT promptly in case of any change in the information submitted by them as part of their Application.

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The Government reserves the right to summarily disqualify any pre-qualified Bidder at any stage of the Auctions or after the Auctions are completed on grounds of non-compliance with eligibility conditions, misrepresentation, non-compliance with Auction Rules, non-compliance with any other pre-condition prescribed for participating in the Auctions or being awarded the spectrum or any matter that may, in the opinion of the Government, be contrary to general public interest.

For such breaches, a Bidder's Earnest Money Deposit shall be forfeited and the Government may undertake other penal action as well against such a Bidder. Seriousness of the breach shall be determined by the Government at its sole discretion.

### 4.2.1.1 1800MHz Auction

Prospective bidders are required to submit:

- A completed Application Form and all supporting information including the necessary undertakings and the Application Checklist;
- An application processing fee;
- Earnest money, in the form of a Bank Guarantee (as per format provided in Section 9.3.2 (Annexures)) from a Scheduled Bank, of an amount equal to the summation of earnest money amounts of the service areas that the Bidder wishes to be eligible to bid for ("Earnest Money Deposit") as per the following Table:

<b>Service Area</b>	<b>Earnest Money Amount per block size of 1.25MHz (paired) (Rs. Crore)</b>
West Bengal	8.50
Andhra Pradesh	43.00
Assam	2.75
Bihar	8.50
Gujarat	43.00
Haryana	8.50
Himachal Pradesh	2.75
Jammu & Kashmir	2.75
Karnataka	43.00
Kerala	14.00

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Madhya Pradesh	14.00
Maharashtra	43.00
North East	2.75
Orissa	8.50
Punjab	14.00
Rajasthan	14.00
Tamil Nadu	43.00
Uttar Pradesh (West)	14.00
Uttar Pradesh (East)	14.00
Delhi	86.00
Kolkata	14.00
Mumbai	86.00

Given that flexibility has been provided in the Auction Rules for Bidders to be able to bid across service areas, Applicants should deposit sufficient earnest money so as to enable them to switch between Service Areas during the course of the auction. The Earnest Money Deposit will determine the eligibility of Bidders to make bids during the Clock Stage of the Auction, as described subsequently in Section 5.3.4;

- Nomination of an authorised person, who is empowered to take all decisions connected with the 1800MHz Auction on the Bidder's behalf and correspond on behalf of the Applicant with the Government and the Auctioneer (the "Authorised Person"), along with a Power of Attorney empowering her/ him for the same. Applicants may authorise one more person, who could act as the alternate Authorised Person in case of unavailability of the primary Authorised Person. In case of any duplication of submissions made by the Bidder, the submission from the primary Authorised Person shall be considered as final and binding;
- In case of Associated Licensees, the following are additionally required to be submitted along with the Application:
  - A completed Nomination Form nominating the Group Bidding Entity. Separate Nomination Forms need to be completed by each of the Associated Licensees corresponding to the Group Bidding Entity that intend to participate in the 1800MHz Auction;
  - Details of ownership structures of the Associated Licensees establishing the qualification of the Group Bidding Entity to bid on behalf of the Associated Licensees;

- For service areas where neither the Group Bidding Entity, nor any of its Associated Licensees are existing UAS/ CMTS Licensees, an undertaking confirming that, if the Applicant is successful in winning spectrum in any such service area, it shall acquire a Unified Licence (Access Services) in advance of starting commercial operations. The Applicant shall be solely responsible for ensuring compliance with all eligibility criteria for the award of a Unified Licence (Access Services) including, but not limited to, the criteria required for FIPB approvals and security clearances.
- Both the Chennai and Tamil Nadu (excluding Chennai) licensees would be treated as Associated Licensees and therefore would need to give consent in favour of the Group Bidding Entity for bidding in the Auctions. Such UAS/CMTS licensees of Chennai and Tamil Nadu (excluding Chennai) service areas have to submit an undertaking and appropriate Board resolutions that in case the Group Bidding Entity is successful in the Auction for Tamil Nadu, then they have to merge their UAS/ CMTS licenses of Chennai and Tamil Nadu (excluding Chennai) service areas as per DoT letter no. 842-503/2005-VAS/5 dated 15th September, 2005 within a period of 2 years from the date of issue of Lol for spectrum won in this auction. The license fee payable for the merged service area of Tamil Nadu will be as per the prevalent instructions. A copy of the letter is available on the DoT website.

Prospective Bidders that are not existing UAS/ CMTS licensees are additionally required to submit:

- An undertaking confirming that, if the applicant is successful in winning spectrum in any service area, it shall acquire a Unified Licence (Access Services), through an Indian company registered under the Companies Act 1956, in advance of starting commercial operations. The Applicant shall be solely responsible for ensuring compliance with all eligibility criteria for the award of a Unified Licence (Access Services) including, but not limited to, the criteria required for FIPB approvals and security clearances.

The Government reserves the right not to pre-qualify any Applicant without assigning any reason whatsoever.

### **4.2.1.2 800MHz Auction**

Prospective Bidders are required to submit:

- A completed Application Form and all supporting information including the necessary undertakings and the Application Checklist;
- An application processing fee;
- Earnest money, in the form of a Bank Guarantee (as per format provided in Section 9.3.2 (Annexures)) from a Scheduled Bank, of an amount equal to the summation of



## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

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earnest money amounts of the service areas that the Bidder wishes to be eligible to bid for as per the following Table 4-B:

<b>Table 4-B. Service Area wise Earnest Money for 800MHz Auction</b>	
<b>Service Area</b>	<b>Earnest Money Amount per block size of 1.25MHz (paired) (Rs. Crore)</b>
West Bengal	11.00
Andhra Pradesh	55.00
Assam	3.75
Bihar	11.00
Gujarat	55.00
Haryana	11.00
Himachal Pradesh	3.75
Jammu & Kashmir	3.75
Karnataka	55.00
Kerala	18.00
Madhya Pradesh	18.00
Maharashtra	55.00
North East	3.75
Orissa	11.00
Punjab	18.00
Rajasthan	18.00
Tamil Nadu	55.00
Uttar Pradesh (West)	18.00
Uttar Pradesh (East)	18.00
Delhi	112.00
Kolkata	18.00
Mumbai	112.00

Given that flexibility has been provided in the Auction Rules for Bidders to be able to bid across service areas, Applicants should deposit sufficient earnest money so as to enable them to switch between Service Areas during the course of the e-auction. The

Earnest Money Deposit will determine the eligibility of Bidders to make bids during the Clock Stage of the Auction, as described subsequently in Section 6.3.4;

- Nomination of an Authorised Person, who is empowered to take all decisions connected with the Spectrum Auction in 800MHz band on the Bidder's behalf and correspond on behalf of the Applicant with the Government and the Auctioneer, along with a Power of Attorney empowering her / him for the same. Applicants may authorise one more person, who could act as the alternate Authorised Person in case of unavailability of the primary Authorised Person. In case of any duplication of submissions made by the Bidder, the submission from the primary Authorised Person shall be considered as final and binding;
- In case of Associated Licensees, the following are additionally required to be submitted along with the Application:
  - A completed Nomination Form nominating the Group Bidding Entity. Separate Nomination Forms need to be completed by each of the Associated Licensees corresponding to the Group Bidding Entity that intend to participate in the 800MHz Auction;
  - Details of ownership structures of the Associated Licensees establishing the qualification of the Group Bidding Entity to bid on behalf of the Associated Licensees;
  - For service areas where neither the Group Bidding Entity, nor any of its Associated Licensees are existing UAS/ CMTS Licensees, an undertaking confirming that, if the Applicant is successful in winning spectrum in any such service area, it shall acquire a Unified Licence (Access Services) in advance of starting commercial operations. The Applicant shall be solely responsible for ensuring compliance with all eligibility criteria for the award of a Unified Licence (Access Services) including, but not limited to, the criteria required for FIPB approvals and security clearances.
  - Both the Chennai and Tamil Nadu (excluding Chennai) licensees would be treated as Associated Licensees and therefore would need to give consent in favour of the Group Bidding Entity for bidding in the Auctions. Such UAS/CMTS licensees of Chennai and Tamil Nadu (excluding Chennai) service areas have to submit an undertaking and appropriate Board resolutions that in case the Group Bidding Entity is successful in the Auction for Tamil Nadu, then they have to merge their UAS/ CMTS licenses of Chennai and Tamil Nadu (excluding Chennai) service areas as per DoT letter no. 842-503/2005-VAS/5 dated 15th September, 2005 within a period of 2 years from the date of issue of LoI for spectrum won in this auction. The license fee payable for the merged service area of Tamil Nadu will be as per the prevalent instructions. A copy of the letter is available on the DoT website.

- Prospective Bidders that are not existing UAS/ CMTS licensees are additionally required to submit:
  - An undertaking confirming that, if the applicant is successful in winning spectrum in any service area, it shall acquire a Unified Licence (Access Services), through an Indian company registered under the Companies Act 1956, in advance of starting commercial operations. The Applicant shall be solely responsible for ensuring compliance with all eligibility criteria for the award of a Unified Licence (Access Services) including, but not limited to, the criteria required for FIPB approvals and security clearances.

The Government reserves the right not to pre-qualify any Applicant without assigning any reason whatsoever.

### **4.2.2 Ownership compliance certification**

After the last date of submission of Applications, the Government shall publish the ownership details submitted by the Applicants, who have not otherwise been disqualified before then, on the Auctions website.

After this, an Applicant, who has not otherwise been disqualified before then, shall be required to submit an undertaking confirming that it complies with the ownership restrictions (the “Ownership Compliance Certificate”) before the deadline indicated in the Auction timetable. The Government reserves the right to modify this deadline by giving Applicants notice through the Auctions website.

Formats for Application and various undertakings are provided in Section 9.3 (Annexures).

### **4.2.3 Pre-qualification Conditions**

In order to pre-qualify, the Applicant must satisfy the following conditions:

#### **a) Application requirements**

The Applicant must comply with the requirements for provision of information, the required certification and payment of the Earnest Money Deposit. Failure to provide any of these documents or to make the payment within the time specified may result in the Applicant not qualifying for the relevant Auctions.

#### **b) Ownership restrictions**

No two Applicants in any of the Auctions should have the same entity directly or indirectly owning more than 10% equity in them. If two Applicants having common ownership greater than 10% apply for prequalification in the same Auction, one of them must withdraw until the last date for submission of Ownership Compliance Certificate, failing which both shall not be pre-qualified.

However, common shareholding by the Government of India between any of the entities is permitted.

Similarly, for the purpose of bidding for spectrum by promoter holding 10% or more equity stake in a company whose license is slated to be quashed, common share holding shall be permitted.

c) **General power of exclusion**

The Government shall retain a general power to exclude any Applicant, without providing any reason for such action. Further, the Government may exclude any Applicant, if in its opinion:

- i) the holding of a Unified Licence (Access Services) by that Applicant would be prejudicial to the interests of national security; or
- ii) the Applicant would not be a fit and proper person to hold a Unified Licence (Access Services).

During the pre-qualification stage, the Government may ask Applicants to provide additional information or documentation relating to their Applications. The Government reserves the right to withdraw the pre-qualification of any Bidder at any stage even after the initial pre-qualification.

Pre-qualification for any of the Auctions or declaration as Successful Bidder does not guarantee a Bidder that the Unified Licence (Access Services) application of this Bidder (if applicable) shall be approved. Prospective Bidders who are not existing UAS/ CMTS licence-holders must satisfy themselves that they meet the criteria for award of a Unified Licence (Access Services).

d) **Net worth and Paid Up Equity Capital**

- For participating in auctions, the net worth requirement would be Rs. 100 Crore for each service area except for J&K and NE Service Areas, where it will be Rs. 50 Crore for each service area. This net worth requirement is applicable in case of 'New Entrants'. This net worth requirement is to be met at the time of application for participation in the auction.
- For participation in the auction for allotment of spectrum, net worth of those promoters having at least 10% paid up equity holding in the applicant company shall also be taken into consideration
- The Applicant Company shall have a minimum paid up equity capital equal to one tenth of net worth prescribed above and shall submit a certificate to this effect (provided by the Company Secretary/ Statutory Auditors of the applicant company and countersigned by duly authorized Director of the Company) while applying for participation in the auction of spectrum.
- Additional net worth requirement for obtaining UL (Access Services) will have to be met at the time of making application for UL (Access Services).

### 4.2.4 Earnest Money Deposit

The earnest money (in the form of a Bank Guarantee from a Scheduled Bank) for the requisite amount needs to be submitted along with the Application for prequalification.

The Bank Guarantee shall be from a Scheduled Commercial Bank, and be valid up to 30<sup>th</sup> April, 2013 and extendable for a further period of six months at the request of DoT, in the prescribed format as given in Section 9.3.2 (Annexures).

Given that flexibility has been provided in the Auction Rules for Bidders to be able to bid across service areas, Applicants should deposit earnest money based on the number of service areas that they would like to participate in the relevant Auctions for. Each type of service areas has a specific deposit requirement. To make a Bid in the Clock Stage for a combination of service areas, a Bidder must have already submitted an Earnest Money Deposit (“EMD”) for not less than the total earnest money requirements of those service areas.

In addition, the EMD will determine the Initial Eligibility of Bidders in the Auctions. The detailed method by which Initial Eligibility is determined is given subsequently for each of the three Auctions. At no stage in the Auctions shall they be allowed to bid for more service areas than the Initial Eligibility points corresponding to the EMD will permit.

For each of the Auctions, a separate consolidated EMD for all service areas needs to be submitted. The total amount may be broken down into up to 5 different EMD letters.

The EMD will be returned following failure to pre-qualify, or following the end of the Auctions and after meeting all the necessary obligations under the Auction Rules, as applicable.

Without prejudice to any other remedy that may be available to it, the Government reserves the right to forfeit the EMD in the case that:

- (a) The Applicant misrepresents facts in its Application;
- (b) The Applicant violates any of the Auction Rules or otherwise disrupts the Auctions process;
- (c) The Bidder does not bid for even one service area in the first Clock Round of the relevant Auction;
- (d) The Bidder defaults on its Bid.

### 4.2.5 Application Processing Fee

The Applicant shall pay a non-refundable application processing fee of Rs. 100,000/- (Rupees one lakh only) payable to Pay and Accounts Officer (HQ), DoT, New Delhi, through a demand draft drawn on a Scheduled Commercial Bank payable at Delhi.

#### **4.2.6 Procedure following application**

Soon after the submission of its application, the Authorised Person nominated by each applicant in its application needs to ensure that they procure Class-III Digital Signature Certificate(s) for signing and encryption issued by any valid Certifying Authority (approved by Controller of Certifying Authorities) in India which is mandatory for accessing the Electronic Auction System (EAS). The pre-qualified bidders will be provided with a list of phone passwords (to be used for reporting technical problems only).

Note, however, that the EAS will not be accessible until applicants have been pre-qualified for participation in the relevant Auction and have received further materials from the Auction Administrator.

#### **4.3 Announcement of pre-qualified Bidders**

The Government shall put up a list of pre-qualified Bidders on the DoT website. At the same time, each pre-qualified Bidder shall be issued a notice (the “Bidder Participation Notice”), which shall include:

- Details of all Bidders’ total Earnest Money Deposits and corresponding Initial Eligibility points; and
- The EAS Manual, which includes detailed instructions on how to access the EAS.

Following this pre-qualification of Bidders by the DoT, the Authorised Person nominated by each pre-qualified Bidder will be sent the following details via the various contact channels provided for this person included in the Pre-qualified Bidder’s application:

- URL of the Auction;
- Login ID and Password;
- An email address and phone number for the reporting of technical problems.

Upon receipt of all of the listed materials, pre-qualified Bidders will be expected to procure and install the Digital Signature Certificates and to attempt to log in to the EAS using the URL and password provided. Problems encountered in accessing the EAS successfully should be reported to the Auction Administrator immediately.

#### **4.4 Bid Validity**

The Bids made in the Auctions shall be valid up to 30<sup>th</sup>, April 2013.

#### **4.5 Payment Terms**

Successful Bidders shall make the payment in any of the following two options:

- a) Full upfront payment within 10 days of declaration of final price or pre-payment of one or more annual instalments; or

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- b) Deferred payment, subject to the following conditions:
- (i) An upfront payment of 33% in the case of 1800MHz Auction and 25% in the case of 800MHz Auction of the final bid amount shall be made within 10 days of declaration of successful bidders and final price;
  - (ii) There shall be a moratorium of 2 years for payment of balance amount of one time charges for the spectrum, which shall be recovered in 10 equal annual instalments.
  - (iii) The 1<sup>st</sup> instalment of the balance due shall become due on the third anniversary of the scheduled date of the first payment. Subsequent instalment shall become due on the same date of each following year.
  - (iv) An indicative schedule of payments is given below:

Full Amount Due	Rs. 1000
Upfront Payment	33%
Balance to be recovered	1000- (1000*33%)= Rs 670
Number of Instalments	10
Interest Rate	9.75%
Assumed Date of first payment	25-12-2012
Moratorium	2 Years

Schedule of Payments		
Instalment	Due Date for payment	Amount (Rs. Crore)
Upfront payment	25-12-2012	330.00
1 <sup>st</sup> instalment	26-12-2015	142.60
2 <sup>nd</sup> instalment	26-12-2016	142.60
3 <sup>rd</sup> instalment	26-12-2017	142.60
4 <sup>th</sup> instalment	26-12-2018	142.60
5 <sup>th</sup> instalment	26-12-2019	142.60
6 <sup>th</sup> instalment	26-12-2020	142.60
7 <sup>th</sup> instalment	26-12-2021	142.60
8 <sup>th</sup> instalment	26-12-2022	142.60
9 <sup>th</sup> instalment	26-12-2023	142.60
10 <sup>th</sup> instalment	26-12-2024	142.60

- (v) The successful bidder shall securitize the annual instalment for the deferred payment through a financial bank guarantee (FBG) of an amount of one annual instalment. On payment of 1<sup>st</sup> instalment and each instalment thereafter, the financial bank guarantee shall be renewed for a further period of one year and submitted at least one month prior to the date of

expiry of validity of the financial bank guarantee submitted earlier. In case of non-renewal, the Financial Bank Guarantee will be encashed and the amount kept as non-interest bearing deposit with the DoT till such bank guarantee is renewed and instalment due is paid. Payment of due instalment and renewal of Financial Bank Guarantee (FBG) shall be done by the successful bidder as per the schedule without the necessity for the DoT to raise any demand or notice for the same.

- (vi) The successful bidder will have to submit an FBG equal to the annual instalment along with the upfront payment which shall be valid for 3 years.
- (vii) In case of overdue payments, penal interest shall be charged on the delayed amount from the due date at the prime lending rate of the State Bank of India, applicable on the due date, plus 2% (compounded monthly), and a part of the month shall be reckoned as a full month for the purpose of calculation of interest.
- (viii) If due payments are not received within time plus a grace period of 10 days, the sum shall be recovered by encashing the Financial Bank Guarantee.
- (ix) In the event of default in payment of instalments, in addition to the action as provided in the paras above, DOT may terminate the license and spectrum allotment / assignment, in which case, the allotted / assigned spectrum will revert back to DOT. The FBGs in such cases will be encashed. This would be without prejudice to any other remedy DOT may decide to resort to.

Successful Bidders shall deposit the Successful Bid Amount – full amount or upfront payment amount in case of deferred payment option – within 10 calendar days of the close of the Auction, failing which the Earnest Money Deposit shall stand forfeited. If the payment due date falls on a Saturday or a Sunday or a Public Holiday, the payment will need to be made by the working day immediately prior to the Saturday or Sunday or Public Holiday.

All payments will need to be made by the Successful Bidders through Demand Draft of the requisite amount in favour of “Pay and Accounts Officer (HQ), DoT, New Delhi” drawn on a Scheduled Commercial Bank payable at Delhi, or by any other means such as RTGS that may be subsequently specified by DoT.

### **4.6 Facilitation of Funding of Telecom Projects**

The existing Tripartite Agreement (TPA) as in the UAS licenses may be modified appropriately to include ‘Spectrum’, to facilitate the funding of telecom projects.

### **4.7 Allotment of Spectrum**

#### Existing Licensees

- Upon receipt of the Successful Bid Amount, the WPC Wing of DoT shall issue a Letter of



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Intent (LoI) earmarking the frequencies to the Successful Bidder (“earmarking of frequency”). The date of issue of LoI shall be taken as the effective date for reckoning the period of 20 years for which the right to use the spectrum has been acquired by the licensee through this auction;

- The successful bidder will apply to DoT for amendment of Existing License within seven calendar days of being declared successful in the auction. However, LoI issued by WPC Wing shall be submitted immediately after its receipt by the successful bidder;
- Necessary amendments to enable use of frequency earmarked by WPC Wing for provision of services under applicable license shall be made to the existing UAS/ CMTS licence of the Successful Bidder or its nominated entity, as applicable;
- Upon successful bidder obtaining amendment to the Existing License, and fulfilment of conditions as may be specified, the allotment of spectrum shall be made in response to an application, on prescribed format, for such spectrum;
- Above mentioned conditions shall also apply in the case of Existing Licensee becoming successful bidder as a New Entrant;
- In case of bidders that have existing UAS/ CMTS licenses in both Chennai and Tamil Nadu (excluding Chennai) service areas and in case the Group Bidding Entity is successful in the Auction for Tamil Nadu (including Chennai), then the bidders have to provide undertakings and appropriate Board resolutions of both the licensee companies (as applicable) confirming that UAS/ CMTS licenses of Chennai and Tamil Nadu (excluding Chennai) service areas shall be merged as per DoT letter no. 842-503/2005-VAS/5 dated 15th September, 2005 within a period of 2 years from the date of issue of LoI for spectrum won in this auction. The license fee payable for the merged service area of Tamil Nadu will be as per the prevalent instructions. A copy of the letter is available on the DoT website.

### New Entrants

- Upon receipt of the Successful Bid Amount, the WPC Wing of DoT shall issue a Letter of Intent (LoI) earmarking the frequencies to the Successful Bidder (“earmarking of frequency”). The date of issue of LoI shall be taken as the effective date for reckoning the period of 20 years for which the right to use the spectrum has been acquired by the licensee through this auction;
- The successful bidder will apply to DoT for grant of UL (Access Services) on prescribed format within seven calendar days of being declared successful in the auction. However, LoI issued by WPC Wing shall be submitted immediately after its receipt by the successful bidder;
- Upon the Successful Bidder obtaining a Unified License (Access Services) and fulfilment of conditions as may be specified, the allotment of spectrum shall be made in response to an application, on prescribed format, for such spectrum;
- Successful Bidders shall obtain SACFA clearance and a separate wireless operating

licence from the Wireless Planning and Coordination (WPC) Wing of DoT as per prescribed procedure.

### **4.8 Mergers & Acquisitions**

Mergers and Acquisitions (M&A) guidelines, as prescribed and amended by DoT from time to time will apply.

### **4.9 Spectrum Audit**

For the efficient management of available spectrum, TRAI/ DoT may undertake regular spectrum audit.

### **4.10 Spectrum Sharing**

Operators whose entire spectrum holding in a particular band (900MHz/ 1800MHz and 800MHz) is/ has been liberalized would be permitted to share spectrum without any additional one time spectrum charge.

Detailed guidelines regarding sharing of spectrum and one time charges for liberalising spectrum currently held would be issued in due course.

## 5 Spectrum in 1800MHz band – Auction Rules

### 5.1 Conduct of the Auction

The e-auction (online auction) will be conducted over the internet using the web browsing software, IE 9.x or Mozilla 13.x or Google Chrome 20.x, wherein only the pre-qualified bidders will be allowed to participate.

The bidders will be required to procure Class-III Digital Signature Certificate(s) (DSC) for signing & encryption issued by any valid Certifying Authority (approved by Controller of Certifying Authorities) in India which is mandatory for accessing the Electronic Auction System (EAS). More details about the licensed Certifying Authorities (CAs) are available on [www.cca.gov.in](http://www.cca.gov.in). It would be the respective bidder's responsibility to acquire such DSC(s) in the name of their authorized signatories (maximum of two authorised signatories) for participation in the e-auction. The bidders also need to ensure that they acquire the DSC(s) before the mock auction which will be conducted at a time specified by the Government.

Bidders will be provided with a detailed Electronic Auction System (EAS) manual explaining how to use the Electronic Auction System.

It would be the responsibility of the respective bidders' to take reasonable steps to ensure that they have a reliable means of accessing the EAS and appropriate backup facilities. The Auction Rules provide contingency measures to deal with failure of the EAS, Internet connectivity problems and power failures.

*Note: Each pre-qualified bidder can access the EAS from a maximum of four (4) different Public Static IP addresses. The pre-qualified bidders need to submit the details of the Public Static IP addresses. A soft copy of the Public Key of the Digital Signature Certificates of the authorized personnel needs to be sent to the Auction Administrator. Alternatively, if required, the Auction Administrator can request the pre-qualified bidders to email the public key to [eas@abcProcure.com](mailto:eas@abcProcure.com) to map the authorized participants in the EAS.*

*The bidders have to ensure that each of their Authorised Persons procure the DSC for signing and encryption separately. Hence, each user will have two DSCs – one for Digital Signing and second for encryption.*

The pre-qualified bidders will be issued a User ID / Login ID to access the EAS. This User ID / Login ID will be mapped with the Digital Signature Certificates of the two Authorised Persons. The access to EAS to each / either of these two Authorised Persons will be from a maximum of four different Public Static IP Addresses which the bidder is required to provide to the Auction Administrator before the mock auction.

It is not mandatory for the bidders to procure different DSC(s) for both the auctions (i.e. 1800MHz auction and 800MHz auction), unless the authorised person(s) for both the auctions are different. It is requested to ensure that the validity of the DSC(s) is till at least 6 months from the start of the e-auction.

### 5.2 Overview of the Auction Stages

Spectrum available for award in this process will be allocated by Simultaneous Multiple Round Ascending (SMRA) e-auction.

Eight (8) blocks each of 1.25MHz (paired) will be put for auction in each of the Service Areas (SAs). In addition, a provision is also made for Spectrum of up to 3 blocks each of 1.25MHz (3.75MHz), wherever available, to meet the requirements of new entrants for topping up the 8 blocks of spectrum put up for auction, i.e. up to a total of 11 blocks each of 1.25MHz if such an exigency arises. The number of top-up blocks available in each Service Area is given in **Table 2-A**. Rules on top-up are explained in detail in Section 5.3.8.

Depending upon eligibility, there will be up to two categories of bidders for each Service Area:

- **Existing Licensee:** A bidder who is categorized as an Existing Licensee in a Service Area will be allowed to bid for a maximum of 2 blocks of 1.25MHz each in that particular Service Area.

*\*\* If an Existing Licensee has bid for 2 blocks for a Clock Round Price, he will be allotted 2 blocks as Provisional Winning Bidder/ Final Successful Bidder OR he will not be allotted any block at the end of this particular Clock Round. In no case, will an Existing Licensee be allotted 1 block as Provisional Winning Bidder/ Final Successful Bidder, if he has submitted a bid for 2 blocks at a particular Price. If the same bidder revises his bid in the subsequent round, at a higher Clock Round Price by bidding for 1 block only, he can be allotted 1 block as Provisional Winning Bidder/ Final Successful Bidder at the end of this particular Clock Round, which might be at a lower price also.*

- **New Entrant:** A bidder who is categorized as a New Entrant in a Service Area will be required to bid for a minimum of 4 blocks and a maximum of 5 blocks each of 1.25MHz for that particular Service Area.

*\*\* A New Entrant bidder may be allotted a minimum of 4 blocks as a Provisional Winning Bidder/ Final Successful Bidder, even if he has submitted bid for 5 blocks in the following conditions:*

- i. Where one or more top-up block(s) are utilized to meet his requirement of 4 blocks;*

- ii. *In case of Service Areas where no top-up blocks are available (Mumbai and Delhi) and the new entrant is ranked last as a Provisional Winning Bidder.*

*Top-up facility will be utilized only for the allotment up to a maximum of 4 blocks as a Provisional Winning Bidder / Final Successful Bidder, even if he has submitted his bid for 5 blocks.*

The award of spectrum is a two-stage process:

- a) **Clock Stage:** This stage will establish the number of block(s) to be awarded and the bidders to whom these will be awarded. In this stage, in each service area, bidders will submit bids for blocks of spectrum of 1.25MHz each as per their respective permissible limit depending on their categorization. The Clock Stage will consist of a number of rounds. These rounds will stop once:
- i) Auction Activity Requirement is 100%; and
  - ii) In any Clock Round, for all Service Areas, there is no bidding activity.
- This will establish a common Winning Price for all blocks within a Service Area, and the Winning Bidders in each Service Area.
- b) **Frequency Identification Stage:** The Clock Stage will be followed by a Frequency Identification Stage that will identify specific frequencies for the Winning Bidders. The frequencies identified will be announced simultaneous with the outcome of the Clock Stage. The Frequency Identification Stage will be a random identification of frequencies performed automatically by the Electronic Auction System.

The Government reserves the right to change this allotment at any point during the licence period, if required, for harmonising bands and promoting spectrum efficiency.

Winning Bidders will pay the sum of the relevant Winning Prices set in the Clock Stage for service areas in which they are assigned a block. All Winning Bidders in a service area will have equal Winning Prices as a consequence of the Auction Rules.

### 5.3 The Clock Stage

#### 5.3.1 Overview

In the Clock Stage, there is simultaneous bidding for blocks across all the 22 Service Areas. Bidding proceeds in rounds (Clock Rounds). During each Clock Round, bids may be placed for some or all of the Service Areas according to the detailed bidding rules described below.

In each Clock Round, bidders will be told the Clock Round Price per Block for each of the service areas. Bidders will be able to bid for the number of blocks depending upon their respective categorization as a New Entrant or an Existing Licensee. Therefore, in each Clock

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

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Round, a Bidder's decisions will consist of "Yes" / "No" choice for each of the service areas at a price equal to the current Clock Round price for that area. If the option "Yes" is selected, then a choice of number of Blocks has to be selected. The number of Blocks for which the bidder will be permitted to submit his bid for will be a drop down option on the bidding screen depending on the categorization of the bidder for that service area.

By bidding in a Service Area for a number of blocks, if the bid becomes a Winning bid, the Bidder commits to buy the block(s) in that service area at a price not greater than the Clock Round price of the round when the bid was submitted, unless revised in the subsequent rounds with a higher Clock Round price.

A Clock Round will close at a finishing time specified by the Auction Administrator, by which time all Bidders must have placed their bids for all Service Areas. The finishing time is subject to provisions for rounds to be extended and re-scheduled, discussed in Section 5.3.9.

Bidders will be able to switch Bids across service areas from one round to the next subject to certain limitations (called "Activity Rules") detailed in Section 5.3.4. These rules require that Bidders must demonstrate sufficient bidding activity to maintain their eligibility to make Bids in subsequent rounds, otherwise their ability to make Bids in subsequent rounds will be curtailed. These Activity Requirements will be tightened in steps according to the overall amount of bidding activity in the Auction. Provisional Winning Blocks cannot be switched to other service areas.

In the first Clock Round, the price per Block in each Service Area will be set equal to the Reserve Price. For subsequent rounds, the Clock Round prices in each service area will be set depending on Excess Demand (defined in Section 5.3.6) in the previous completed Clock Round. The excess demand will be determined by the total number of blocks for which the bids have been submitted, with respect to the 8 blocks available for each service area for a Clock Round Price (which may be the same for more than one round). Top-up blocks will not be considered while calculating the excess demand.

The following rules will determine the Clock Round Price other than the first round:

- If Excess Demand is negative, the Clock Round price in that service area will be equal to the Clock Round price in the last completed Clock Round;
- If Excess Demand is zero or positive, the Clock Round price in that service area will be equal to the Clock Round price in the last completed Clock Round plus a strictly positive price increment determined by the amount of Excess Demand (as given in Table 5-C).

If a new Clock Round is required, further bids will be invited in the new Clock Round. The final Clock Round will be the first round in which the following two conditions are met: (i) Auction Activity Requirement is 100%; and (ii) For all Service Areas, there is no bidding

activity. At the end of the final Clock Round, the Provisional Winning Prices will become the Winning Prices, and the Provisional Winning Bidders in the last Clock Round will become the Winning Bidders who will then be awarded the number of allocated blocks in each Service Area at the Winning Price.

### 5.3.2 Bidding during Clock Rounds

In each Clock Round Bidders will be presented with a bidding form on their respective bidding dashboard, where the following will be displayed:

- Total Earnest Money Deposit (EMD) submitted by the Bidder
- Eligibility Points
- Auction Activity Requirement
- Bidder Activity Requirement

For each of the Service Areas, the following will be displayed on the bidding form:

- Name of the Service Area;
- Number of Blocks available in the Service Area;
- Number of Eligibility Points linked to a block in the Service Area;
- Earnest Money Deposit requirement linked to a block in the Service Area;
- The Clock Round Price in the Service Area for the current Clock Round;
- After the first Clock Round, the price increment that has been applied to the Clock Round price in the last completed Clock Round to determine the current Clock Round in that Service Area;
- After the first Clock Round, Aggregate Demand in that Service Area at the Clock Round Price in the last completed Clock Round;
- After the first Clock Round, Excess Demand in that Service Area at the Clock Round Price in the last completed Clock Round;
- After the first Clock Round, Provisional Winning Price in that Service Area at the Clock Round Price in the last completed Clock Round;
- After the first Clock Round, if the bidder becomes a Provisional Winning Bidder, the rank of the bidder;
- Option to Bid (Yes / No); and
- Option for selection of Number of Blocks

The bidder will have the option to select “Yes” / “No” in each Service Area in a particular Clock Round. On selection of “Yes”, the bidder will have the option to select the Number of

Blocks for that Service Area. The overall selection of the Service Areas and the Number of blocks in the selected Service Areas would be restricted by the following factors:

- The total value of the EMD of the number of blocks in the selected Service Areas should be equal to or less than the EMD deposited by the bidder;
- Availability of sufficient Eligibility Points

If a bidder was a Provisional Winning Bidder for the maximum number of blocks permitted as per their categorization for a service area in the last completed Clock Round, and the Clock Round price in the current Clock Round is equal to that in the last completed Clock Round, then the bidder will not have the option to select “Yes” / “No” for this service area, as under these circumstances it is not possible for a bidder to increase the number of Provisional Winning Blocks at the current Clock Round price.

All the Bidders will have to submit their decision into the EAS in each Clock Round, even if the Bidder does not want to submit any Bids in the Round. Failure to check and submit a decision by the end of a Clock Round will trigger an automatic extension of the round deadline and reduce the time allowance a Bidder has for future extensions. The provisions for extensions of rounds are discussed in detail in Section 5.3.9.

All the bids which the bidder submits would be subject to the Activity Rules described in Section 5.3.4.

Bidders are required to submit their bid for at least ONE Service Area in the first Clock Round. Any Bidder who fails to do so in the first Clock Round will forfeit its deposit in its entirety.

### **5.3.3 Eligibility Points and Deposits**

For the purpose of applying Activity Rules, each of the 2 x 1.25MHz blocks in each Service Area has been assigned a specific number of Eligibility Points, based on the Reserve Price of Spectrum in that particular Service Area. The number of points associated with a 2 x 1.25MHz block in each Service Area is listed in **Table 5-A**.

The eligibility to bid will also be defined by the EMD which the bidder will deposit and based on which the combination of Service Areas will be determined. Those bidders who have deposited the EMD within the deadline mentioned by the Government of India will only be permitted to participate in the e-auction.

The Initial Eligibility points for each bidder would be determined by the amount of EMD which they have submitted to the Government. The same will be calculated by the Auction Administrator based on the EMD made by the Bidder. Specifically, the Initial Eligibility of a Bidder will equal the greatest eligibility amongst those combinations of Blocks per Service Areas that could be obtained with the EMD applied for by the Bidder.

Any bidder, who is a New Entrant, is able to bid for a maximum of 5 Blocks per Service Area. In this case, the maximum Earnest Money Deposit which needs to be made would be Rs.



e2,650.00 Crore (considering that the Bidder is a New Entrant for all the 22 Service Areas and submits the Earnest Money Deposit for the same).

Any bidder, who is an Existing Licensee, is able to bid for a maximum of 2 Blocks per Service Area (considering that the Bidder is an Existing Licensee in all Service Areas), the maximum Earnest Money Deposit which needs to be made is Rs. 1,060.00 Crore.

Bidders may make smaller Earnest Money Deposit, which will result in corresponding lower levels of Initial Eligibility. Thus it would be a combination of the EMD of the Number of Blocks in the selected Service Areas and the Eligibility Points at that particular Round which would decide the ability to submit the bid for the respective bidder.

*A bidder may be categorized as a New Entrant in some of the Service Areas and as an Existing Licensee in the other Service Areas.*

The Initial Eligibility of Bidders and the identities of Bidders participating in the Auction will be made public once the Government has determined which Applicants are pre-qualified to bid in the Auction.

### **5.3.4 Activity Rule**

In any Clock Round, Bidders will be restricted by their Earnest Money Deposit in the combinations of Blocks for the Service Areas they may bid for. The Earnest Money Deposit requirement associated with a Bid in a Clock Round is equal to:

- In the First Clock Round, the sum of the Earnest Money Deposit requirements associated with the service areas where the Bidder places a bid for a number of block(s);
- After the First Clock Round, the sum of:
  - (i) The Earnest Money Deposit requirements associated with the Number of Block(s) in those Service Areas in which the Bidder has been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round (regardless of whether or not this bid has been submitted by the Bidder in the current Clock Round); and
  - (ii) The Earnest Money Deposit requirements associated with the Number of Block(s) in those Service Areas where the Bidder has not been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round and in which the Bidder bids for a number of blocks in the current Clock Round.

Bidders may only bid for combinations of services areas with an associated Earnest Money Deposit requirement that does not exceed the total EMD made by the Bidder. For example, a Bidder  $x$  who is a Provisional Winning Bidder for 5 Blocks in Gujarat at the end of Clock Round  $R$ , again bids in Gujarat in Round  $R+1$  at a higher Clock Round price but with a reduced number of 4 blocks. In this case, the Earnest Money Deposit requirement will be calculated based on 5 blocks in Round  $R+1$ . The Earnest Money Deposit requirement of a

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bidder in a particular Service Area will correspond to the higher of either the number of blocks where the bidder is already a Provisional Winning Bidder or the number of blocks where the bidder is placing his bid.

In addition to the same, in any given Clock Round, the activity of a Bidder may not exceed its eligibility in that Clock Round.

The activity of a bidder in a Clock Round is equal to:

- In the first Clock Round, the Eligibility Points associated with service areas where the Bidder bids for a number of block(s);
- After the first Clock Round, the sum of:
  - (i) The Eligibility Points associated with the number of Block(s) in the Service Areas in which the Bidder has been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round (regardless of whether or not this bid has been submitted by the Bidder in the current Clock Round ); and
  - (ii) The Eligibility Points associated with the number of Block(s) in the Service Areas where the Bidder has not been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round and in which the Bidder bids for a number of block(s) in the current Clock Round.

For each Clock Round the Auction Administrator will announce the Auction Activity Requirement (AAR) that will apply to that Clock Round. The Auction Activity Requirement is the percentage of the Bidder's Eligibility Points that determines the level of activity that a Bidder must meet in that Clock Round in order to maintain its eligibility in the following Clock Round. This threshold (rounded up to the nearest whole number) is referred to as the Bidder's *Activity Requirement* in that Clock Round.

After the First Clock Round, the eligibility of each Bidder is calculated as follows:

- If the Bidder's activity in a Clock Round  $R$  is EQUAL to or GREATER than its Activity Requirement, then the Bidder's eligibility in the next Clock Round  $R+1$  will be equal to the Bidder's eligibility in the Clock Round  $R$ ;
- If the Bidder's activity in a Clock Round is LESS than the Bidder's Activity Requirement for that Clock Round, then the eligibility of the Bidder in the next Clock Round  $R+1$  will be equal to its activity level in the Clock Round  $R$  divided by the Auction Activity Requirement, rounded down to the nearest whole number:

$$\text{Eligibility Points of Bidder in Clock Round } R+1 = \frac{\text{Activity Level in Clock Round } R}{\text{Auction Activity Requirement in Round } R}$$

For example, suppose that in a Clock Round  $R$ , Bidder  $x$  has an eligibility of 70 points. If the Auction Activity Requirement, as defined by the Auction Administrator for particular Clock Round  $R$ , is 80%, the Bidder's Activity Requirement is 56 points (70 x 80%, which in case of

decimal values will be rounded down to the nearest whole number). Suppose that Bidder  $x$  submits a bid with an associated activity of 60 points, then, the eligibility of Bidder  $x$  in the next Clock Round  $R+1$ , would be equal to 70 points since 60 is GREATER than 56. However, suppose that Bidder  $x$  submits a bid with an associated activity of 50 points which is LESS than 56; then the eligibility of Bidder  $x$  in the Clock Round  $R+1$ , would be reduced to 63 points (50/80% rounded down to the nearest whole number).

Bidders can view their respective Eligibility and the associated Activity Requirement in each Clock Round on their respective bidding dashboard at the start of the Clock Round. In the first Clock Round, the Auction Activity Requirement will be set at 80%. Subsequently, the Auction Activity Requirement will be increased in two steps as the Auction progresses, from 80% to 90% and then to 100%.

The timing of these steps in the Activity Requirement will be determined by the Auction Administrator depending on the extent of overall bidding activity in the Auction process. The Auction Administrator would typically expect to give notice before a round of a forthcoming increase in the Auction Activity Requirement but the same would not be binding on the Auction Administrator and the Auction Activity Requirement can be increased based on the activity in a particular round.

The clock rounds can end only when the Auction Activity Requirement is 100%.

### 5.3.5 Ranking of Bidders and Provisional Winning Bidders

For the purpose of determining the Provisional Winning Bidders in each Service Area, the bids of the bidders for the number of blocks in a Service Area will be considered at the end of each Clock Round. This ranking process is undertaken separately for each service area. For determining the Provisional Winning Bidders, the first process would be to identify the Provisional Winning Blocks at the end of each Clock Round. The Provisional Winning Bidders would be ranked using the following criteria:

- In descending order according to the Clock Round Price for that Service Area in the Clock Round when the Bid was made;
- Where there is a tie according to the first criterion, ranking will be in ascending order according to the Clock Round when the Bid was submitted for a particular Service Area (thus, Bids submitted in earlier Clock Rounds take precedence);
- Where there is a tie according to the first two criteria, ties will be broken according to a random index assigned to the Bid in that service area when it is received by the EAS.

The Random Index assigned to a Bid will be determined in the Clock Round when a Bid is made.

- An Existing Licensee who has bid for 2 blocks in the last completed Clock Round, cannot be allotted less than 2 blocks as a Provisional Winning Bidder. As a consequence of this condition, in case there is an Existing Licensee who has bid for 2

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blocks, but can only get one as a consequence of ranking rules, then he will not be declared as a Provisional Winning Bidder.

- In case excess demand is positive, in Service Areas where top-up blocks are available, the *next ranked New Entrant Bidder only* (in sequence of ranking) will be considered as Provisional Winning Bidder (and top-up blocks will be allotted to the New Entrant). In situations where there is no new entrant bidder ranked below, or where there are no to-up blocks available, there will be no Provisional Winning Bidder for one block in that round.
- In case excess demand is negative in Clock Round R, then the Provisional Winning Bidders from the previous Clock Round, *R-1*, in sequence of ranking will be considered to determine the Provisional Winning Blocks/ corresponding Bidders. If an Existing Licensee is a Provisional Winning Bidder for 2 blocks in Round R-1, and has not bid or revised his bid in round R, he will not be considered as a Provisional Winning Bidder if 7 blocks have already been allotted as Provisional Winning ones. This is as a consequence of the condition that *an Existing Licensee who has bid for 2 blocks in a Clock Round, cannot be allotted less than 2 blocks as a Provisional Winning Bidder*. In such cases, the bid of the next bidder in the Clock Round, *R-1*, in sequence of ranking, will be considered.

If an Existing Licensee who is declared as a Provisional Winning Bidder for 2 blocks in Round R, bids for 1 block in Round R+1, (which can only be possible if the Clock Round price has increased), he can be allotted 1 block as a Provisional Winning Bidder (either at the Clock Round price of Round R+1 or at the Clock Round Price of round R where he was a Provisional Winning Bidder for 2 blocks).

An example to cite the same is given below:

Round - R		Clock Round Price = Rs. 100	
Rank	Bidder Name	No. of blocks bid for	No. of blocks allotted as Provisional Winning Bidder
1	Existing Bidder – 1	2	2
2	Existing Bidder – 2	2	2
3	New Entrant – 1	4	4
4	Existing Bidder – 3	1	0

Provisional Winning Bidders are (Existing Bidder – 1, Existing Bidder – 2, and New Entrant – 1) and the Provisional Winning Price would be Rs. 100.

Since the Excess Demand is 1, considered as Positive (as the total number of blocks for which bids have been submitted is 9), the Clock Round Price for the subsequent round, *R+1*, would be higher with an increment added to the Clock Round Price of Round *R*.

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Round – $R+1$		Clock Round Price = Rs. 101	
Rank	Bidder Name	No. of blocks bid for	No. of blocks allotted as Provisional Winning Bidder
1	Existing Bidder – 1	1	1 +1 (from Round $R$ ) = 2
2	Existing Bidder – 2	1	1
3	New Entrant – 1	4	4
4	Existing Bidder – 3	1	1

Since the lowest Clock Round price at which the Provisional Winning Blocks are determined is Rs. 100, the Provisional Winning Price at the end of Clock Round,  $R+1$ , would also be Rs. 100.

In every Clock Round, the different conditions under which the Provisional Winning Blocks and corresponding bidders are determined are as follows:

- a) If the number of blocks for which the bids have been received in Clock Round,  $R$ , is less than 8, then all the blocks will be considered as Provisional Winning Blocks. Due to excess demand being negative in this Clock Round, the Provisional Winning Bidders from the previous Clock Round,  $R-1$ , in sequence of ranking will be considered to determine the Provisional Winning Blocks/ corresponding Bidders.
- b) If the number of blocks for which the bids have been received is equal to 8, then all the blocks will be considered as Provisional Winning Blocks.
- c) If the number of blocks for which the bids have been received is greater than 8, then the bids received for the first 8 blocks according to their ranking will be considered as Provisional Winning Blocks.

**\*\*** *Considering an example where in a Service Area, in sequence of their ranking, a New Entrant “A” has submitted his bid for 5 blocks, followed by an Existing Licensee “B” for 2 blocks, followed by another Existing Licensee “C” for 2 blocks, followed by another Existing Licensee “D” for 1 block and finally by another New Entrant “E” for 4 blocks. In this case, 5 blocks of “A” will be considered as Provisional Winning Blocks, and 2 blocks of “B” will also be considered as Provisional Winning Blocks. This leaves a balance of 1 block available to be determined as Provisional Winning Block out of the 8 blocks put up for auction. Since the bidder “C” has submitted his bid for 2 blocks, and he cannot be given 1, and only the next ranked New Entrant Bidder (in sequence of ranking) will be considered as Provisional Winning Bidder, the next New Entrant in the sequence which is “E” will get the balance 1 block. As the provision of topping up is available to meet the requirements of the new entrants, the number of Blocks for “E” which will be considered as Provisional Winning Blocks will be 4.*

*In case of Service Areas of Mumbai and Delhi (where there are no top-up blocks available), 5 blocks of “A” will be considered as Provisional Winning Blocks, and 2 blocks of “B” will be considered as Provisional Winning Blocks. This would mean that there would be Provisional Winning Bidders declared for 7 blocks only.*

*It is clarified that while identifying the Provisional Winning Bidders of Round, R, the Provisional Winning Bidders from Round, R-1, will be considered only if the excess demand is Negative in Round, R.*

Based on the determination of the Provisional Winning Blocks, the Provisional Winning Bidders who had submitted the same would be identified and ranked.

The Provisional Winning Price for a particular Service Area at the end of a Clock Round will be equal to the lowest of the Clock Round prices at which the Provisional Winning Bidders submitted their bid for the Provisional Winning Blocks. In some cases, the Provisional Winning Price may be less than the last completed Clock Round Price. However, the Provisional Winning Price will never be strictly greater than the last completed Clock Round Price.

**\*\*** *Provisional Winning Blocks are not linked with any particular frequency. The Provisional Winning Blocks are determined only to identify the Provisional Winning Bidders during the Clock Round and the Winning Bidder at the end of the Clock Stage. The frequency identification stage will determine specific frequencies to be assigned.*

### 5.3.6 Prices and Price Increments

In the first Clock Round, the Clock Round price per Block in each Service Areas will be the Reserve Price as determined by the Government. The Reserve Price associated with each Service Area is shown in **Table 5-B**.

At the end of a Clock Round, Excess Demand in a service area is defined to be:

- The total number of Blocks for which Bids received in a particular Service Area at a price equal to the Clock Round price set in the last completed Clock Round; **minus**
- The number of Blocks (excluding top-up blocks) available in that Service Area, i.e. 8.

Hence, Excess Demand is calculated based on the number of Blocks for which bids have been made for a particular Service Area at the Clock Round price of the last completed Clock Round, regardless of whether the same was made in the last completed Clock Round or some prior round(s). However, Excess Demand does not count any Bids made at a price strictly lower than the Clock Round price of the last completed round.

Clock Round Prices for the next Clock Round would be set according to the following rules:

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- If Excess Demand is **NEGATIVE** in a Service Area, the Clock Round price for blocks in this Service Area in the next Clock Round will be set equal to the Clock Round price in the last completed Clock Round;
- If Excess Demand is **ZERO** or **POSITIVE** in a Service Area, the Clock Round price for blocks in this Service Area in the next Clock Round will be set equal to the Clock Round price in the last completed Clock Round plus a strictly positive price increment as given in Table 5-B.

Two examples illustrating the calculation of excess demand are given below:

Example – 1:

Round No. 10		Clock Round Price = Rs. 100	
Rank	Name of Bidder	Number of Blocks for which Bids have been submitted	Number of blocks allocated as a Provisional Winning Bidder
1	New Bidder-1	4	4
2	Existing Bidder-1	2	2
3	Existing Bidder-2	2	2
4	New Bidder-2	5	0
Demand in Clock Round No. 10 at Clock Round Price of Rs. 100		13	→Will be considered as Positive as Total Demand at Clock Round Price of Rs. 100 is 13.
Excess Demand at Clock Round Price of <b>Rs. 100</b> is 5			
Clock Round Price for Round No. 11 will be increased from Rs. 100 to a new value which will be (Rs. 100 + a strictly positive price increment).			

Example – 2:

Round No. 10		Clock Round Price = Rs. 100	
Rank	Name of Bidder	Number of Blocks for which Bids have been submitted	Number of blocks allocated as a Provisional Winning Bidder
1	New Bidder-1	4	4
2	Existing Bidder-1	2	2
Demand in Clock Round No. 10 at Clock Round Price of Rs. 100		6	→Will be considered as Negative as Total Demand at Clock Round Price of Rs. 100 is 6.
Excess Demand at Clock Round Price of <b>Rs. 100</b> is (-2)			

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Clock Round Price for Round No. 11 will be same at Rs. 100 due to Negative Demand.			
<b>Round No. 11</b>		<b>Clock Round Price = Rs. 100</b>	
Rank	Name of Bidder	Number of Blocks for which Bids have been submitted	Number of blocks allocated as a Provisional Winning Bidder
1	Existing Bidder-2	2	2
Demand in Clock Round No. 11 at Clock Round Price of Rs. 100		2	→Will be considered as Positive as Total Demand at Clock Round Price of Rs. 100 is 8 since the demand is calculated for a Clock Round Price which might be same over multiple rounds.
Excess Demand at Clock Round Price of <b>Rs. 100</b> is 0			
Clock Round Price for Round No. 12 will be increased from Rs. 100 to a new value which will be (Rs. 100 + a strictly positive price increment).			

Price Increments may vary from Service Area to Service Area and will be related to the excess demand in the respective Service Areas. They will be set to no more than 10% of the Clock Round price for that service area in the last completed Clock Round. The Auction Administrator will follow the rule set out in the **Table 5-B**.

The number of blocks for which the bidders can submit their bid would depend on the activity rule and the following parameters:

- i) If the bidder is bidding in a Service Area for the first time, he can bid for either 1/2 (existing Licensee) or for 4/5 blocks (New Entrant).
- ii) If the bidder has already bid in the last completed Clock Round and is a Provisional Winning Bidder for  $n$  blocks, then the bidding in the subsequent round will be restricted as follows:
  - a) If the Clock Round Price is same and considering  $n$  as 1 in case of an existing Licensee and 4 in case of a new entrant, in which case, the bidder can bid for 2 (existing Licensee) or 5 (new entrant) blocks only.
  - b) If the Clock Round Price is same and considering  $n$  as 2 in case of an existing Licensee and 5 in case of a new entrant, in which case, the bidder cannot revise his bid as he is already the Provisional Winning Bidder for the maximum number of blocks at a Clock Round Price.
  - c) If the Clock Round Price is higher, in which case, the bidder can bid for 1/2 (existing Licensee) or 4/5 (New Entrant) blocks, irrespective of whether they are the Provisional Winning Bidders or not.



**5.3.7 Winning Bidders and Winning Prices**

The final clock round will be the first clock round in which:

- The Activity Requirement is 100%; and
- For all Service Areas, there is there are no bids submitted by any of the bidders i.e. bidding activity is NIL.

The Provisional Winning Price in any particular Service Area at the end of the final Clock Round will become the Winning Price for the respective Service Area, and Provisional Winning Bidders will become Winning Bidders. Winning Bidders will be required to pay the Winning Price for the Service Area(s) they have won. The Winning Price per block for all the Winning Bidder(s) will be the same. The Winning Price to be paid by a Winning Bidder may be less than or equal to his highest bid (but never greater than the highest bid of a Winning Bidder) for that particular Service Area.

**5.3.8 Top-up Rules**

There is a provision for top-up of up to 3 blocks of 1.25MHz each (3.75MHz) so as to make a minimum allocation of Four Blocks for a new entrant. The top-up rules will be applied in each Clock Round and subject to a top-up of a maximum of Three Blocks for each Service Area. In other words, if a New Entrant bidder is deemed to be a Provisional Winning Bidder for  $n$  number of Blocks (where  $n$  is GREATER than Zero but LESS than FOUR), then the Blocks allocated at the end of this particular Clock Round would be topped up with an additional  $4-n$  Blocks. This will ensure that if a New Entrant happens to be a Provisional Winning Bidder, he will be allotted a minimum of 4 Blocks for that particular Service Area. The top-up facility will be activated only for New Entrants and for those Service Areas where a New Entrant is a Provisional Winning Bidder.

Top-up will not be used to calculate the excess demand for a particular Service Area. Top-up is used only for the allocation purpose and only to a New Entrant so as to make a minimum allocation of 4 blocks.

The number of blocks available for topping up in each Service Area are given in Table 2-A.

Some examples of the application of top-up are given below:

<b><u>No Top-up Used</u></b>			
<b>Rank</b>	<b>Bidder Name</b>	<b>No. of Blocks for which bid Submitted</b>	<b>No. of Blocks allotted as a Provisional winning Bidder</b>
1	Existing Bidder – 1	2	2
2	New Bidder – 1	4	4

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3	Existing Bidder – 2	2	2
4	New Bidder – 2	4	0

### 3 blocks used for Top-up

Rank	Bidder Name	No. of Blocks for which bid Submitted	No. of Blocks allotted as a Provisional winning Bidder
1	Existing Bidder – 1	2	2
2	New Bidder – 1	4	4
3	Existing Bidder – 2	1	1
4	New Bidder – 2	4	1 + 3

### 2 blocks used for Top-up

Rank	Bidder Name	No. of Blocks for which bid Submitted	No. of Blocks allotted as a Provisional winning Bidder
1	Existing Bidder – 1	2	2
2	New Bidder – 1	4	4
3	New Bidder – 2	4	2 + 2

### 5.3.9 Length of Clock Rounds and Extension Periods

Clock Rounds will typically only be scheduled to begin between the hours of 09.00 and 19.30 (Indian Standard Time) on Monday through Saturday, except national holidays. However, the Auction Administrator reserves the right not to schedule Clock Rounds on one or more days, to extend the number of hours in the day during which rounds will be scheduled or to run rounds on any day once the Auction commences at its absolute discretion in order to ensure the smooth running of the Auction. Where the use of any of these facilities is to be exercised, advance notice, through the EAS, will be provided to Bidders.

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Prior to the start of any Clock Round, the Auction Administrator will notify Bidders of the starting and finishing times of the next Clock Round through the EAS. At least 15 minutes notice will be given of the start of the next Clock Round.

Also, Bidders will be notified in advance of the starting time and date of the first Clock Round.

A Clock Round will be for a minimum duration of 1 hour (60 minutes). The auction will go to the extension mode as per the bids which are submitted by the bidder.

During a Clock Round, a Bidder will make his bid in the EAS consisting of the following:

- A “Yes” / “No” option for each of the Service Areas where the bidder is eligible to bid.
- Number of Blocks – Depending on whether the Bidder is a New Entrant or an Existing Licensee, bid can be submitted to a minimum of 4 and a maximum of 5 for a New Entrant and a minimum of 1 and a maximum of 2 for an Existing Licensee respectively.

Based on the selection of Service Areas and the Number of Blocks for the selected Service Areas, the EAS will check and display the following to the respective bidder:

- If the selection made is compatible with the EMD which the bidder has submitted for participation in the e-auction.
- Additionally, the selection has to be compatible with the requirements of the Activity Rules.
- The Bidder’s eligibility for the Next Round would also be calculated by the System & displayed to the bidder’s on their respective bidding dashboard. In the case where the Bidder’s eligibility is reduced due to the combination of Number of Blocks opted for the selected Service Areas, a warning message will be displayed on the respective bidder’s screen. The bidder at this point of time will have the option to go back & modify their selection.

Only those bids which are compatible with all the rules of the e-auction will be accepted by EAS. The respective bidder’s will be given an appropriate message of acceptance of their bids by the EAS.

*It would be the respective bidder’s responsibility to ensure that their bids are received by EAS prior to the end of the Clock Round. For the purposes of determining whether or not a Bid is received prior to the end of the Clock Round, the EAS must receive the Bid submission by the end of the Clock Round. Bidders should be aware that it takes a finite amount of time to transmit a Bid across the Internet and for the EAS to respond which could be as a result of various factors but not limiting only to the speed of the Internet bandwidth at the Bidder’s terminal. Bidders submitting decisions close to the end of the Clock Round do so entirely at their own risk of failing to meet the Clock Round deadline due to network delays or delays in response by the EAS. Bids are not processed by the EAS until the Clock Round is closed and no tactical or strategic advantage is conferred by submitting Bids late within the Clock Round.*

After the end of a Clock Round, the results would be announced for each of the Service Areas. If there is bidding activity in any service area and a further Clock Round is required, this Clock Round will be scheduled and the start and finish times announced to Bidders through the EAS subject to at least 15 minutes notice of the start of the next Clock Round.

To guard against technical problems and provide Bidders with some additional flexibility in making bidding decisions, Bidders are provided with limited opportunities to extend a Clock Round and defer submission of a Bid. Each Bidder is allocated an Extension Budget of 4 hours.

In the event that a Bidder fails to submit a valid bid (compatible with the rules of the e-auction) by the end of the initial finishing time of a Clock Round (and has at least 10 minutes remaining in its Extension Budget), 10 minutes will be subtracted from its Extension Budget and the finishing time of the Clock Round will be deferred by 10 minutes for that Bidder. In the event that the Bidder fails to submit by the revised deadline (and has at least 10 minutes remaining in its Extension Budget), a further 10 minutes will be subtracted from its Extension Budget and the finishing time deferred by a further 10 minutes for that Bidder. A Bidder may defer the original scheduled finishing time of any one Clock Round by at most 60 minutes in this way.

It is mandatory for bidders to check and submit their decision, even if the bidder is a Provisional Winning Bidder. In case of a bidder failing to do so within the initial finishing Clock Round, the extension would be triggered automatically and the same would be deducted from the Total Extension Budget available to the respective bidder. The bidders are requested to note that it is mandatory for the respective bidders to check and submit their decision, even if the respective bidder is a Provisional Winning Bidder. In case of a bidder failing to do so within the initial finishing Clock Round, the extension would be triggered automatically and the same would be deducted from the Total Extension Budget available to the respective bidder. Further, even if the bidder happens to be in a position such that no New Bids could be made/ raised, It will still be necessary for the bidder to submit the “No” decision into the EAS to avoid triggering an extension.

If the original finishing time of the Clock Round has been deferred by 60 minutes or if the Bidder’s Extension Budget is exhausted, no further deferral of the Clock Round finishing time will be possible. In this case, if no submission is logged by the EAS prior to the end of the Clock Round; the EAS will proceed as if the relevant Bidder has entered his bid without revising in all the Service Areas. As a consequence, the Bidder’s eligibility in the following Clock Round will be calculated based on the eligibility linked to its Provisional Winning Blocks at the end of the previous Clock Round and the Auction Activity Requirement in the current round. It could also happen that the bidder is not able to participate further in subsequent Clock Rounds due to non-availability of sufficient Eligibility points as a result of non-submission of bids in the last completed Clock Round.

If one or more Bidders trigger an extension period, all Bidders will be informed that an extension is running by the EAS. For avoidance of doubt, one Bidder triggering an extension does not remove the requirement on other Bidders to submit their decision by the original

deadline or to have their Extension Budget reduced if they have also failed to submit their Bids within the stipulated time. In particular, if more than one Bidder has failed to submit a decision by the original finishing time of a Clock Round, all such Bidders will either have the number of minutes deducted from their Extension Budgets (or if they have exhausted their Extension Budget) deemed to have made no further revision to their decision in the current round. Bidders that have already checked and submitted a decision prior to the original finishing time of the Clock Round will not be able to revise or modify their decision during an extension period.

A Clock Round, which is into the extension period, may close prior to the finishing time of an extension period if the EAS has received Bids from all Bidders. The bidders are requested to note that this provision does not apply within a normal Clock Round that has not been extended; Clock Rounds will not close prior to the scheduled finishing time even if the EAS has received Bids from all Bidders.

The minimum time between the ending of One Clock Round and the start of the Next Clock Round will be 20 minutes. The same would be announced to Bidders through the EAS subject to at least 15 minutes notice before the start of the next Clock Round.

In exceptional circumstances, such as technical failure affecting multiple Bidders, the Auction Administrator may:

- Re-schedule the start of a Clock Round whose starting time has been announced provided that the Clock Round has not yet started;
- Re-schedule the finishing time of a Clock Round in progress;
- Cancel a Clock Round in progress and re-run it;
- Grant one or more Bidders additional Extension Budget.

The Auction Administrator will not grant any additional Extension Budget to one or more Bidders unless there is compelling evidence of technical failures affecting multiple bidders.

### **5.4 Frequency Identification Stage**

The Clock Stage will be followed by a Frequency Identification Stage that will identify specific frequencies for the Winning Bidders. The frequencies identified will be announced simultaneous with the outcome of the Clock Stage. The Frequency Identification Stage will be a random identification of frequencies performed automatically by the Electronic Auction System as follows:

- (i) A New Entrant Winning Bidder will be allotted contiguous spectrum blocks as follows:
  - a) In Service Areas where a New Entrant Winning Bidder has won 5 blocks i.e. 6.25MHz, and if there is no other New Entrant Winning Bidder and if 5 contiguous blocks of 1.25MHz each are available, then 5 contiguous blocks will be assigned to the New Entrant Winning Bidder.
  - b) In Service Areas where a New Entrant Winning Bidder has won 5 blocks i.e. 6.25MHz, and there is another New Entrant Winning Bidder (with 4 blocks i.e.

5MHz), then 4 contiguous blocks will be assigned to each of the New Entrant Winning Bidders by random identification. In case of the New Entrant Winning Bidder who has won 5 blocks, the fifth block of 1.25MHz may not be contiguous.

- c) In Service Areas where the New Entrant Winning Bidder has won 4 blocks i.e. 5MHz, he will be assigned 4 contiguous blocks (out of 8) through random identification of frequencies.
- (ii) Random identification of frequencies will be done for the existing Licensees who are Winning Bidders after assigning contiguous spectrum to the New Entrant(s).

Frequency reconfiguration i.e. rearrangement of spot frequencies in the same band, from within the assignments made to the licensees, may be carried out, with the authorization of WPC Wing, among the licensees, **only** when the entire spectrum held by them is liberalized. No charges will be levied for rearrangement of frequency spots.

The Government reserves the right to change the frequency allocation at any point over the duration of the relevant licenses where this is required for harmonising bands and promoting spectrum efficiency.

### 5.5 Information Policy

Prior to the start of the Auction, the Government will make public:

- A list of pre-qualified Bidders;
- The information provided in these Bidders' applications about their ownership structures;
- The amount of EMD provided by the Bidder; and
- The number of Initial Eligibility points granted to each Bidder as a result of its EMD.

During the Clock Round Stage, the following information will be provided to Bidders after each completed Clock Round:

- The Clock Round price per Block in each Service Area in the last completed Clock Round;
- The total number of blocks for which bids have been received in each Service Area in the last completed Clock Round;
- The Aggregate Demand in each Service Area at the Clock Round prices in the last completed Clock Round (i.e. for each Service Area, the total number of blocks for which bids have been received in the Service Area at a value equal to the Clock Round price in the last completed Clock Round); and
- The Excess Demand in each Service Area at the Clock Round prices in the last completed Clock Round (i.e. for each Service Area, Aggregate demand less the number of blocks available in the Service Area).

If the last completed Clock Round was not the final Clock Round, the following information will also be provided to each Bidder:

- The Provisional Winning Price in each Service Area at the end of the last completed Clock Round;
- The Provisional Winning Blocks (if any) held by the respective Bidder in each Service Area(s) at the end of the last completed Clock Round;
- The price at which any such Provisional Winning Blocks were allocated to the Bidder as a Provisional Winning Bidder;
- The rank of the Provisional Winning Bidder within the relevant Service Area at the end of last completed Clock Round;
- Total number of Eligibility Points available to the particular Bidder for the next Clock Round.

If the last completed Clock Round was not the final Clock Round, the following information will be provided to each Bidder at the time at which the next Clock Round is scheduled on their respective bidding dashboard:

- The price increment to be applied in each service area; and
- The Clock Round price per Block in each Service Area that will apply for the next Clock Round.

At the end of the final Clock Round, the following information will be provided to all Bidders:

- That the last completed Clock Round was the final Clock Round;
- The Winning Prices; and
- The identities of the Winning Bidders.

Information relating to the specific Bids made by Bidders (whether successful or not) in each service area will not be provided at the end of each Clock Round (other than the information provided about the Winning Bids after the final Clock Round), but will be made public in their entirety subsequently after the Frequency Identification Stage.

### **5.6 Collusion and other Prohibited Activities**

The Government of India reserves the right to disqualify any Bidder that:

- Colludes or attempts to collude with another Bidder in determining its Bids during the Auction;
- Releases Confidential Information with the effect or intention of modifying the bidding behaviour of other pre-qualified Bidders;
- Breaches or attempts to breach the secure measures within the EAS;

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- Prevents or attempts to prevent any other Bidder (or other users of the EAS) from accessing the EAS;
- Attempts to influence the decisions of the Auctioneer in conducting the Auction;
- Obstructs or attempts to obstruct the running of the Auction;
- Provides inaccurate information in its Application to participate in the Auction.

In the event of such disqualification, a Bidder's EMD will be forfeited and the Government may undertake other penal action as well against such a Bidder.

The Government reserves the right to impose a fine equal to some or all of a Bidder's deposit for less serious breaches of these rules. Such fines shall be deducted from that Bidder's EMD.



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<b>Table 5-A</b>		<b>Service Areas, Reserve Price, Deposits required and Eligibility Points for e-auction of Spectrum in 1800MHz Band.</b>			
<b>Sl. No.</b>	<b>Name of Telecom Circle / Metro Service Area</b>	<b>Areas Covered</b>	<b>Reserve Price per Block per Service Area (Rs. Crore)</b>	<b>Required Deposit per Block per Service Area (Rs. Crore)</b>	<b>Eligibility Points per Block</b>
1.	West Bengal	Entire area falling within the Union Territory of Andaman & Nicobar Islands and within the State of West Bengal and the State of Sikkim excluding the areas covered by Kolkata Metro Service Area.	25.84	8.50	10
2.	Andhra Pradesh	Entire area falling within the State of Andhra Pradesh.	286.91	43.00	50
3.	Assam	Entire area falling within the State of Assam.	8.67	2.75	3
4.	Bihar	Entire area falling within the re-organized State of Bihar and newly created State of Jharkhand pursuant to the Bihar Reorganization Act, 2000 (No. 30 of 2000) dated 25 <sup>th</sup> August, 2000.	42.51	8.50	10
5.	Gujarat	Entire area falling within the State of Gujarat and Union Territory of Daman and Diu, Silvassa (Dadra & Nagar Haveli).	224.84	43.00	50
6.	Haryana	Entire area falling within the State of Haryana except Panchkula town and the local areas served by Faridabad and Gurgaon Telephone exchanges.	46.52	8.50	10
7.	Himachal Pradesh	Entire area falling within the State of Himachal Pradesh.	7.78	2.75	3

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8.	Jammu & Kashmir	Entire area falling within the State of Jammu & Kashmir including the autonomous council of Ladakh.	6.33	2.75	3
9.	Karnataka	Entire area falling within the State of Karnataka.	330.12	43.00	50
10.	Kerala	Entire area falling within the State of Kerala and Union Territory of Lakshadweep and Minicoy.	65.30	14.00	16
11.	Madhya Pradesh	Entire area falling within the re-organized State of Madhya Pradesh as well as the newly created State of Chattisgarh pursuant to the Madhya Pradesh Re-organization Act, 2000 (No. 28 of 2000) dated 25 <sup>th</sup> August, 2000.	53.99	14.00	16
12.	Maharashtra	Entire area falling within the State of Maharashtra and Union Territory of Goa, excluding areas covered by Mumbai Metro Service Area.	262.81	43.00	50
13.	North East	Entire area falling within the States of Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Manipur and Tripura.	8.84	2.75	3
14.	Orissa	Entire area falling within the State of Orissa.	20.27	8.50	10
15.	Punjab	Entire area falling within the State of Punjab and Union Territory of Chandigarh and Panchkula town of Haryana.	67.28	14.00	16
16.	Rajasthan	Entire area falling within the State of Rajasthan.	67.08	14.00	16
17.	Tamil Nadu	Entire area falling within the State of Tamil Nadu and Union Territory of Pondicherry including local areas served by Chennai Telephones, Maraimalai Nagar Export Promotion	306.09	43.00	50

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		Zone (MPEZ), Minzur and Mahabalipuram Exchanges.			
18.	Uttar Pradesh (West)	Entire area covered by Western Uttar Pradesh with the following as its boundary districts towards Eastern Uttar Pradesh: Pilibhit, Bareilly, Badaun, Etah, Mainpuri and Etawah. It will exclude the local telephone area of Ghaziabad and Noida. However, it will also include the newly created State of Uttaranchal pursuant to the Uttar Pradesh Reorganisation Act, 2000 (No.29 of 2000) dated 25 <sup>th</sup> August, 2000.	107.41	14.00	16
19.	Uttar Pradesh (East)	Entire area covered by Eastern Uttar Pradesh with the following as its boundary districts towards Western Uttar Pradesh: Shahjahanpur, Farrukhabad, Kanpur and Jalaun.	76.17	14.00	16
20.	Delhi	Local Areas served by Delhi, Ghaziabad, Faridabad, Noida, and Gurgaon Telephone Exchanges.	693.06	86.00	105
21.	Kolkata	Local Areas served by Calcutta Telephones.	113.72	14.00	16
22.	Mumbai	Local areas served by Mumbai, New Mumbai and Kalyan Telephone Exchanges.	678.45	86.00	105

**Note:**

Yenum, an area of Union Territory of Pondicherry is served under Andhra Pradesh Telecom Circle in East Godavari LDCA.

- The definition of local areas of exchanges will be as applicable to the existing cellular operators, i.e. at the time of grant of cellular Licences in Metro Cities.
- The definition of local areas with regard to the above service area as applicable to this licence is as per definition applicable to Cellular Mobile Service Licences as in the year 1994 & 1995, when those Licences

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were granted to them. This is in accordance with respective Gazette Notification for such local areas wherever issued and as per the statutory definition under Rule2(w) Indian Telephones Rules, 1951, as it stood during the year 1994/1995 where no specific Gazette Notification has been issued.

**Table 5-B – Proportionate Price Increment rule for e-auction of Spectrum in 1800MHz Band.**

Excess Demand	Price Increment as a Percentage of previous Clock Round Price	
Less than ZERO (Negative)	0%	
0	1%	
1	1%	
2	2%	
3	3%	
4	4%	
5	5%	
6	6%	
7	7%	
8	8%	
9	9%	
10 or more	10%	
<b>** The Price Increment calculated for a Service Area will always be capped by the following maximum absolute price increments for each Service Area.</b>		
Sl. No.	Service Area	Maximum Price Increment per Block per Round (In Rs. Crore)
1.	West Bengal	8.50

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2.	Andhra Pradesh	43.00
3.	Assam	2.75
4.	Bihar	8.50
5.	Gujarat	43.00
6.	Haryana	8.50
7.	Himachal Pradesh	2.75
8.	Jammu & Kashmir	2.75
9.	Karnataka	43.00
10.	Kerala	14.00
11.	Madhya Pradesh	14.00
12.	Maharashtra	43.00
13.	North East	2.75
14.	Orissa	8.50
15.	Punjab	14.00
16.	Rajasthan	14.00
17.	Tamil Nadu	43.00
18.	Uttar Pradesh (West)	14.00
19.	Uttar Pradesh (East)	14.00
20.	Delhi	86.00
21.	Kolkata	14.00
22.	Mumbai	86.00

**\*\* All price increments will be in Rs. Crore, rounded down to two decimal places. Therefore, throughout the Auction all prices will be in Rs. Crore with at most two decimal places.**

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Table 5-C		Earnest money deposits and associated eligibility points for 1800MHz band Auction							
Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
0.00	0	102.75	124	205.50	248	306.50	371	409.25	495
2.75	3	105.50	127	208.25	251	309.25	374	409.50	496
5.50	6	108.25	130	208.50	252	309.50	375	412.25	499
8.25	9	108.50	131	211.25	255	312.25	378	415.00	502
8.50	10	111.25	134	214.00	258	315.00	381	417.75	505
11.25	13	114.00	137	215.00	260	317.75	384	420.50	508
14.00	16	116.75	140	217.75	263	320.50	387	423.25	511
16.75	19	119.50	143	220.50	266	323.25	390	423.50	512
19.50	22	122.25	146	223.25	269	323.50	391	426.25	515
22.25	25	122.50	147	223.50	270	326.25	394	429.00	518
22.50	26	125.25	150	226.25	273	329.00	397	430.00	525
25.25	29	128.00	153	229.00	276	331.75	400	432.75	528
28.00	32	129.00	155	231.75	279	334.50	403	435.50	531
30.75	35	131.75	158	234.50	282	337.25	406	438.25	534
33.50	38	134.50	161	237.25	285	337.50	407	438.50	535
36.25	41	137.25	164	237.50	286	340.25	410	441.25	538
36.50	42	137.50	165	240.25	289	343.00	413	444.00	541
39.25	45	140.25	168	243.00	292	344.00	420	446.75	544
42.00	48	143.00	171	245.75	295	346.75	423	449.50	547
43.00	50	145.75	174	248.50	298	349.50	426	452.25	550
45.75	53	148.50	177	251.25	301	352.25	429	452.50	551
48.50	56	151.25	180	251.50	302	352.50	430	455.25	554
51.25	59	151.50	181	254.25	305	355.25	433	458.00	557
51.50	60	154.25	184	257.00	308	358.00	436	460.75	560
54.25	63	157.00	187	258.00	315	360.75	439	463.50	563
57.00	66	159.75	190	260.75	318	363.50	442	466.25	566
59.75	69	162.50	193	263.50	321	366.25	445	466.50	567
62.50	72	165.25	196	266.25	324	366.50	446	469.25	570
65.25	75	165.50	197	266.50	325	369.25	449	472.00	573
65.50	76	168.25	200	269.25	328	372.00	452	473.00	575
68.25	79	171.00	203	272.00	331	374.75	455	475.75	578
71.00	82	172.00	210	274.75	334	377.50	458	478.50	581
73.75	85	174.75	213	277.50	337	380.25	461	481.25	584
76.50	88	177.50	216	280.25	340	380.50	462	481.50	585
79.25	91	180.25	219	280.50	341	383.25	465	484.25	588
79.50	92	180.50	220	283.25	344	386.00	468	487.00	591
82.25	95	183.25	223	286.00	347	387.00	470	489.75	594
85.00	98	186.00	226	288.75	350	389.75	473	492.50	597
86.00	105	188.75	229	291.50	353	392.50	476	495.25	600
88.75	108	191.50	232	294.25	356	395.25	479	495.50	601
91.50	111	194.25	235	294.50	357	395.50	480	498.25	604
94.25	114	194.50	236	297.25	360	398.25	483	501.00	607
94.50	115	197.25	239	300.00	363	401.00	486	503.75	610
97.25	118	200.00	242	301.00	365	403.75	489	506.50	613
100.00	121	202.75	245	303.75	368	406.50	492	509.25	616

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Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
509.50	617	610.50	745	713.25	869	816.00	993	917.00	1116
512.25	620	613.25	748	716.00	872	817.00	995	919.75	1119
515.00	623	616.00	751	718.75	875	819.75	998	922.50	1122
516.00	630	618.75	754	721.50	878	822.50	1001	925.25	1125
518.75	633	621.50	757	724.25	881	825.25	1004	925.50	1126
521.50	636	624.25	760	724.50	882	825.50	1005	928.25	1129
524.25	639	624.50	761	727.25	885	828.25	1008	931.00	1132
524.50	640	627.25	764	730.00	888	831.00	1011	933.75	1135
527.25	643	630.00	767	731.00	890	833.75	1014	936.50	1138
530.00	646	632.75	770	733.75	893	836.50	1017	939.25	1141
532.75	649	635.50	773	736.50	896	839.25	1020	939.50	1142
535.50	652	638.25	776	739.25	899	839.50	1021	942.25	1145
538.25	655	638.50	777	739.50	900	842.25	1024	945.00	1148
538.50	656	641.25	780	742.25	903	845.00	1027	946.00	1155
541.25	659	644.00	783	745.00	906	847.75	1030	948.75	1158
544.00	662	645.00	785	747.75	909	850.50	1033	951.50	1161
546.75	665	647.75	788	750.50	912	853.25	1036	954.25	1164
549.50	668	650.50	791	753.25	915	853.50	1037	954.50	1165
552.25	671	653.25	794	753.50	916	856.25	1040	957.25	1168
552.50	672	653.50	795	756.25	919	859.00	1043	960.00	1171
555.25	675	656.25	798	759.00	922	860.00	1050	962.75	1174
558.00	678	659.00	801	761.75	925	862.75	1053	965.50	1177
559.00	680	661.75	804	764.50	928	865.50	1056	968.25	1180
561.75	683	664.50	807	767.25	931	868.25	1059	968.50	1181
564.50	686	667.25	810	767.50	932	868.50	1060	971.25	1184
567.25	689	667.50	811	770.25	935	871.25	1063	974.00	1187
567.50	690	670.25	814	773.00	938	874.00	1066	976.75	1190
570.25	693	673.00	817	774.00	945	876.75	1069	979.50	1193
573.00	696	675.75	820	776.75	948	879.50	1072	982.25	1196
575.75	699	678.50	823	779.50	951	882.25	1075	982.50	1197
578.50	702	681.25	826	782.25	954	882.50	1076	985.25	1200
581.25	705	681.50	827	782.50	955	885.25	1079	988.00	1203
581.50	706	684.25	830	785.25	958	888.00	1082	989.00	1205
584.25	709	687.00	833	788.00	961	890.75	1085	991.75	1208
587.00	712	688.00	840	790.75	964	893.50	1088	994.50	1211
589.75	715	690.75	843	793.50	967	896.25	1091	997.25	1214
592.50	718	693.50	846	796.25	970	896.50	1092	997.50	1215
595.25	721	696.25	849	796.50	971	899.25	1095	1000.25	1218
595.50	722	696.50	850	799.25	974	902.00	1098	1003.00	1221
598.25	725	699.25	853	802.00	977	903.00	1100	1005.75	1224
601.00	728	702.00	856	804.75	980	905.75	1103	1008.50	1227
602.00	735	704.75	859	807.50	983	908.50	1106	1011.25	1230
604.75	738	707.50	862	810.25	986	911.25	1109	1011.50	1231
607.50	741	710.25	865	810.50	987	911.50	1110	1014.25	1234
610.25	744	710.50	866	813.25	990	914.25	1113	1017.00	1237

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
1019.75	1240	1120.75	1368	1223.50	1492	1326.25	1616	1427.25	1739
1022.50	1243	1123.50	1371	1226.25	1495	1326.50	1617	1427.50	1740
1025.25	1246	1126.25	1374	1226.50	1496	1329.25	1620	1430.25	1743
1025.50	1247	1126.50	1375	1229.25	1499	1332.00	1623	1433.00	1746
1028.25	1250	1129.25	1378	1232.00	1502	1333.00	1625	1435.75	1749
1031.00	1253	1132.00	1381	1234.75	1505	1335.75	1628	1438.50	1752
1032.00	1260	1134.75	1384	1237.50	1508	1338.50	1631	1441.25	1755
1034.75	1263	1137.50	1387	1240.25	1511	1341.25	1634	1441.50	1756
1037.50	1266	1140.25	1390	1240.50	1512	1341.50	1635	1444.25	1759
1040.25	1269	1140.50	1391	1243.25	1515	1344.25	1638	1447.00	1762
1040.50	1270	1143.25	1394	1246.00	1518	1347.00	1641	1449.75	1765
1043.25	1273	1146.00	1397	1247.00	1520	1349.75	1644	1452.50	1768
1046.00	1276	1148.75	1400	1249.75	1523	1352.50	1647	1455.25	1771
1048.75	1279	1151.50	1403	1252.50	1526	1355.25	1650	1455.50	1772
1051.50	1282	1154.25	1406	1255.25	1529	1355.50	1651	1458.25	1775
1054.25	1285	1154.50	1407	1255.50	1530	1358.25	1654	1461.00	1778
1054.50	1286	1157.25	1410	1258.25	1533	1361.00	1657	1462.00	1785
1057.25	1289	1160.00	1413	1261.00	1536	1363.75	1660	1464.75	1788
1060.00	1292	1161.00	1415	1263.75	1539	1366.50	1663	1467.50	1791
1062.75	1295	1163.75	1418	1266.50	1542	1369.25	1666	1470.25	1794
1065.50	1298	1166.50	1421	1269.25	1545	1369.50	1667	1470.50	1795
1068.25	1301	1169.25	1424	1269.50	1546	1372.25	1670	1473.25	1798
1068.50	1302	1169.50	1425	1272.25	1549	1375.00	1673	1476.00	1801
1071.25	1305	1172.25	1428	1275.00	1552	1376.00	1680	1478.75	1804
1074.00	1308	1175.00	1431	1277.75	1555	1378.75	1683	1481.50	1807
1075.00	1310	1177.75	1434	1280.50	1558	1381.50	1686	1484.25	1810
1077.75	1313	1180.50	1437	1283.25	1561	1384.25	1689	1484.50	1811
1080.50	1316	1183.25	1440	1283.50	1562	1384.50	1690	1487.25	1814
1083.25	1319	1183.50	1441	1286.25	1565	1387.25	1693	1490.00	1817
1083.50	1320	1186.25	1444	1289.00	1568	1390.00	1696	1492.75	1820
1086.25	1323	1189.00	1447	1290.00	1575	1392.75	1699	1495.50	1823
1089.00	1326	1191.75	1450	1292.75	1578	1395.50	1702	1498.25	1826
1091.75	1329	1194.50	1453	1295.50	1581	1398.25	1705	1498.50	1827
1094.50	1332	1197.25	1456	1298.25	1584	1398.50	1706	1501.25	1830
1097.25	1335	1197.50	1457	1298.50	1585	1401.25	1709	1504.00	1833
1097.50	1336	1200.25	1460	1301.25	1588	1404.00	1712	1505.00	1835
1100.25	1339	1203.00	1463	1304.00	1591	1406.75	1715	1507.75	1838
1103.00	1342	1204.00	1470	1306.75	1594	1409.50	1718	1510.50	1841
1105.75	1345	1206.75	1473	1309.50	1597	1412.25	1721	1513.25	1844
1108.50	1348	1209.50	1476	1312.25	1600	1412.50	1722	1513.50	1845
1111.25	1351	1212.25	1479	1312.50	1601	1415.25	1725	1516.25	1848
1111.50	1352	1212.50	1480	1315.25	1604	1418.00	1728	1519.00	1851
1114.25	1355	1215.25	1483	1318.00	1607	1419.00	1730	1521.75	1854
1117.00	1358	1218.00	1486	1320.75	1610	1421.75	1733	1524.50	1857
1118.00	1365	1220.75	1489	1323.50	1613	1424.50	1736	1527.25	1860



## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
1527.50	1861	1630.25	1985	1731.25	2113	1834.00	2237	1935.00	2360
1530.25	1864	1633.00	1988	1734.00	2116	1836.75	2240	1937.75	2363
1533.00	1867	1634.00	1995	1736.75	2119	1839.50	2243	1940.50	2366
1535.75	1870	1636.75	1998	1739.50	2122	1842.25	2246	1943.25	2369
1538.50	1873	1639.50	2001	1742.25	2125	1842.50	2247	1943.50	2370
1541.25	1876	1642.25	2004	1742.50	2126	1845.25	2250	1946.25	2373
1541.50	1877	1642.50	2005	1745.25	2129	1848.00	2253	1949.00	2376
1544.25	1880	1645.25	2008	1748.00	2132	1849.00	2255	1951.75	2379
1547.00	1883	1648.00	2011	1750.75	2135	1851.75	2258	1954.50	2382
1548.00	1890	1650.75	2014	1753.50	2138	1854.50	2261	1957.25	2385
1550.75	1893	1653.50	2017	1756.25	2141	1857.25	2264	1957.50	2386
1553.50	1896	1656.25	2020	1756.50	2142	1857.50	2265	1960.25	2389
1556.25	1899	1656.50	2021	1759.25	2145	1860.25	2268	1963.00	2392
1556.50	1900	1659.25	2024	1762.00	2148	1863.00	2271	1965.75	2395
1559.25	1903	1662.00	2027	1763.00	2150	1865.75	2274	1968.50	2398
1562.00	1906	1664.75	2030	1765.75	2153	1868.50	2277	1971.25	2401
1564.75	1909	1667.50	2033	1768.50	2156	1871.25	2280	1971.50	2402
1567.50	1912	1670.25	2036	1771.25	2159	1871.50	2281	1974.25	2405
1570.25	1915	1670.50	2037	1771.50	2160	1874.25	2284	1977.00	2408
1570.50	1916	1673.25	2040	1774.25	2163	1877.00	2287	1978.00	2415
1573.25	1919	1676.00	2043	1777.00	2166	1879.75	2290	1980.75	2418
1576.00	1922	1677.00	2045	1779.75	2169	1882.50	2293	1983.50	2421
1578.75	1925	1679.75	2048	1782.50	2172	1885.25	2296	1986.25	2424
1581.50	1928	1682.50	2051	1785.25	2175	1885.50	2297	1986.50	2425
1584.25	1931	1685.25	2054	1785.50	2176	1888.25	2300	1989.25	2428
1584.50	1932	1685.50	2055	1788.25	2179	1891.00	2303	1992.00	2431
1587.25	1935	1688.25	2058	1791.00	2182	1892.00	2310	1994.75	2434
1590.00	1938	1691.00	2061	1793.75	2185	1894.75	2313	1997.50	2437
1591.00	1940	1693.75	2064	1796.50	2188	1897.50	2316	2000.25	2440
1593.75	1943	1696.50	2067	1799.25	2191	1900.25	2319	2000.50	2441
1596.50	1946	1699.25	2070	1799.50	2192	1900.50	2320	2003.25	2444
1599.25	1949	1699.50	2071	1802.25	2195	1903.25	2323	2006.00	2447
1599.50	1950	1702.25	2074	1805.00	2198	1906.00	2326	2008.75	2450
1602.25	1953	1705.00	2077	1806.00	2205	1908.75	2329	2011.50	2453
1605.00	1956	1707.75	2080	1808.75	2208	1911.50	2332	2014.25	2456
1607.75	1959	1710.50	2083	1811.50	2211	1914.25	2335	2014.50	2457
1610.50	1962	1713.25	2086	1814.25	2214	1914.50	2336	2017.25	2460
1613.25	1965	1713.50	2087	1814.50	2215	1917.25	2339	2020.00	2463
1613.50	1966	1716.25	2090	1817.25	2218	1920.00	2342	2021.00	2465
1616.25	1969	1719.00	2093	1820.00	2221	1922.75	2345	2023.75	2468
1619.00	1972	1720.00	2100	1822.75	2224	1925.50	2348	2026.50	2471
1621.75	1975	1722.75	2103	1825.50	2227	1928.25	2351	2029.25	2474
1624.50	1978	1725.50	2106	1828.25	2230	1928.50	2352	2029.50	2475
1627.25	1981	1728.25	2109	1828.50	2231	1931.25	2355	2032.25	2478
1627.50	1982	1728.50	2110	1831.25	2234	1934.00	2358	2035.00	2481

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
2037.75	2484	2140.50	2608	2241.50	2736	2344.25	2860	2444.50	2982
2040.50	2487	2143.25	2611	2244.25	2739	2344.50	2861	2447.25	2985
2043.25	2490	2143.50	2612	2244.50	2740	2347.25	2864	2450.00	2988
2043.50	2491	2146.25	2615	2247.25	2743	2350.00	2867	2451.00	2990
2046.25	2494	2149.00	2618	2250.00	2746	2352.75	2870	2453.75	2993
2049.00	2497	2150.00	2625	2252.75	2749	2355.50	2873	2456.50	2996
2051.75	2500	2152.75	2628	2255.50	2752	2358.25	2876	2459.25	2999
2054.50	2503	2155.50	2631	2258.25	2755	2358.50	2877	2459.50	3000
2057.25	2506	2158.25	2634	2258.50	2756	2361.25	2880	2462.25	3003
2057.50	2507	2158.50	2635	2261.25	2759	2364.00	2883	2465.00	3006
2060.25	2510	2161.25	2638	2264.00	2762	2365.00	2885	2467.75	3009
2063.00	2513	2164.00	2641	2266.75	2765	2367.75	2888	2470.50	3012
2064.00	2520	2166.75	2644	2269.50	2768	2370.50	2891	2473.25	3015
2066.75	2523	2169.50	2647	2272.25	2771	2373.25	2894	2473.50	3016
2069.50	2526	2172.25	2650	2272.50	2772	2373.50	2895	2476.25	3019
2072.25	2529	2172.50	2651	2275.25	2775	2376.25	2898	2479.00	3022
2072.50	2530	2175.25	2654	2278.00	2778	2379.00	2901	2481.75	3025
2075.25	2533	2178.00	2657	2279.00	2780	2381.75	2904	2484.50	3028
2078.00	2536	2180.75	2660	2281.75	2783	2384.50	2907	2487.25	3031
2080.75	2539	2183.50	2663	2284.50	2786	2387.25	2910	2487.50	3032
2083.50	2542	2186.25	2666	2287.25	2789	2387.50	2911	2490.25	3035
2086.25	2545	2186.50	2667	2287.50	2790	2390.25	2914	2493.00	3038
2086.50	2546	2189.25	2670	2290.25	2793	2393.00	2917	2494.00	3045
2089.25	2549	2192.00	2673	2293.00	2796	2395.75	2920	2496.75	3048
2092.00	2552	2193.00	2675	2295.75	2799	2398.50	2923	2499.50	3051
2094.75	2555	2195.75	2678	2298.50	2802	2401.25	2926	2502.25	3054
2097.50	2558	2198.50	2681	2301.25	2805	2401.50	2927	2502.50	3055
2100.25	2561	2201.25	2684	2301.50	2806	2404.25	2930	2505.25	3058
2100.50	2562	2201.50	2685	2304.25	2809	2407.00	2933	2508.00	3061
2103.25	2565	2204.25	2688	2307.00	2812	2408.00	2940	2510.75	3064
2106.00	2568	2207.00	2691	2309.75	2815	2410.75	2943	2513.50	3067
2107.00	2570	2209.75	2694	2312.50	2818	2413.50	2946	2516.25	3070
2109.75	2573	2212.50	2697	2315.25	2821	2416.25	2949	2516.50	3071
2112.50	2576	2215.25	2700	2315.50	2822	2416.50	2950	2519.25	3074
2115.25	2579	2215.50	2701	2318.25	2825	2419.25	2953	2522.00	3077
2115.50	2580	2218.25	2704	2321.00	2828	2422.00	2956	2524.75	3080
2118.25	2583	2221.00	2707	2322.00	2835	2424.75	2959	2527.50	3083
2121.00	2586	2223.75	2710	2324.75	2838	2427.50	2962	2530.25	3086
2123.75	2589	2226.50	2713	2327.50	2841	2430.25	2965	2530.50	3087
2126.50	2592	2229.25	2716	2330.25	2844	2430.50	2966	2533.25	3090
2129.25	2595	2229.50	2717	2330.50	2845	2433.25	2969	2536.00	3093
2129.50	2596	2232.25	2720	2333.25	2848	2436.00	2972	2537.00	3095
2132.25	2599	2235.00	2723	2336.00	2851	2438.75	2975	2539.75	3098
2135.00	2602	2236.00	2730	2338.75	2854	2441.50	2978	2542.50	3101
2137.75	2605	2238.75	2733	2341.50	2857	2444.25	2981	2545.25	3104

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

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Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
2545.50	3105	2648.25	3229
2548.25	3108	2650.00	3230
2551.00	3111		
2553.75	3114		
2556.50	3117		
2559.25	3120		
2559.50	3121		
2562.25	3124		
2565.00	3127		
2567.75	3130		
2570.50	3133		
2573.25	3136		
2573.50	3137		
2576.25	3140		
2579.00	3143		
2580.00	3150		
2582.75	3153		
2585.50	3156		
2588.25	3159		
2588.50	3160		
2591.25	3163		
2594.00	3166		
2596.75	3169		
2599.50	3172		
2602.25	3175		
2602.50	3176		
2605.25	3179		
2608.00	3182		
2610.75	3185		
2613.50	3188		
2616.25	3191		
2616.50	3192		
2619.25	3195		
2622.00	3198		
2623.00	3200		
2625.75	3203		
2628.50	3206		
2631.25	3209		
2631.50	3210		
2634.25	3213		
2637.00	3216		
2639.75	3219		
2642.50	3222		
2645.25	3225		
2645.50	3226		

## 6 Spectrum in 800MHz band – Auction Rules

### 6.1 Conduct of the Auction

The e-auction (online auction) will be conducted over the internet using the web browsing software, IE 9.x or Mozilla 13.x or Google Chrome 20.x, wherein only the pre-qualified bidders will be allowed to participate.

The bidders will be required to procure Class-III Digital Signature Certificate (DSC) for signing & encryption issued by any valid Certifying Authority (approved by Controller of Certifying Authorities) in India which is mandatory for accessing the Electronic Auction System (EAS). More details about the licensed Certifying Authorities (CA) are available on [www.cca.gov.in](http://www.cca.gov.in). It would be the respective bidder's responsibility to acquire such DSC(s) in the name of their authorized signatories (maximum of two authorised signatories) for participation in the e-auction. The bidders also need to ensure that they acquire the DSC(s) before the mock auction which will be conducted at a time specified by the Government.

Bidders will be provided with a detailed Electronic Auction System (EAS) manual explaining how to use the Electronic Auction System.

It would be the responsibility of the respective bidders' to take reasonable steps to ensure that they have a reliable means of accessing the EAS and appropriate backup facilities. The Auction Rules provide contingency measures to deal with failure of the EAS, Internet connectivity problems and power failures.

*Note: Each pre-qualified bidder can access the EAS from a maximum of four (4) different Public Static IP addresses. The pre-qualified bidders need to submit the details of the Public Static IP addresses. A soft copy of the Public Key of the Digital Signature Certificates of the authorized personnel needs to be sent to the Auction Administrator. Alternatively, if required, the Auction Administrator can request the pre-qualified bidders to email the public key to [eas@abcProcure.com](mailto:eas@abcProcure.com) to map the authorized participants in the EAS.*

*The bidders have to ensure that each of their Authorised Persons procure the DSC for signing and encryption separately. Hence, each user will have two DSCs – one for Digital Signing and second for encryption.*

The pre-qualified bidders will be issued a User-Id / Login-Id to access the EAS. This User-Id / Login-Id will be mapped with the Digital Signature Certificates of the two Authorised Signatories. The access to EAS to each / either of these two Authorised Signatories will be from a maximum of four different Public Static IP Addresses which the bidder is required to provide to the Auction Administrator before the mock auction.

It is not mandatory for the bidders to procure different DSC(s) for both the auctions (i.e. 1800MHz auction and 800MHz auction), unless the authorised person(s) for both the auctions are different. It is requested to ensure that the validity of the DSC(s) is till at least 6 months from the start of the e-auction.

## 6.2 Overview of the Auction Stages

Spectrum available for award in this process will be allocated by Simultaneous Multiple Round Ascending (SMRA) e-auction.

Three (3) blocks each of 1.25MHz (paired) will be put for auction in each of the Service Areas (SAs), except Punjab and Andhra Pradesh where two (2) blocks each of 1.25MHz will be put for auction. There is no block put up for auction in the Service Area of Rajasthan. In addition, a provision is also made for Spectrum of up to 1 block of 1.25MHz, wherever available, to meet the requirements of new entrants for topping up the three blocks of spectrum put up for auction, i.e. up to a total of 4 blocks each of 1.25MHz if such an exigency arises. The details of the blocks available in each Service Area ~~are~~ given in **Table 2-B**. Rules on top-up are explained in detail in Section 6.3.8.

Depending upon eligibility, there will be up to two categories of bidders for each Service Area:

- **Existing Licensee:** A bidder who is an existing Licensee in a Service Area will be allowed to bid for 1 block of 1.25MHz in that particular Service Area.
- **New Entrant:** - A bidder who is categorized as a New Entrant in a Service Area will be required to bid for a minimum of 2 blocks and a maximum of 3 blocks (subject to availability\*\*) each of 1.25MHz for that particular Service Area. For the Service Areas of Punjab and Andhra Pradesh, a bidder who is categorized as a New Entrant will be allowed to bid for 2 blocks of 1.25MHz only.

\* *A New Entrant bidder will be allotted 2 blocks as a Provisional Winning Bidder/ Final Successful Bidder, even if he has submitted bid for 3 blocks in the following conditions:*

- Where the top-up block is utilized to meet his requirement of 2 blocks;*
- In case of Service Areas where no top-up blocks are available (Delhi, Mumbai, Kolkata and Maharashtra) and the new entrant is ranked last as a Provisional Winning Bidder.*

*Top-up facility will be utilized only for the allotment up to a maximum of 2 blocks as a Provisional Winning Bidder / Final Successful Bidder, even if he has submitted his bid for 3 blocks. A New Entrant bidder will not be allotted one block as a Provisional Winning Bidder.*

\*\* *In the Service Areas of Punjab and Andhra Pradesh, a New Entrant bidder can bid for 2 blocks only and no top-up blocks are available.*

The award of spectrum is a two-stage process.

- a) **Clock Stage:** This stage will establish the number of block(s) to be awarded to the Bidders in each of the service areas. In this stage, in each service area, bidders will submit their bid for a number of blocks of spectrum of 1.25MHz each as per their respective permissible limit depending on their categorization. The Clock Stage will consist of a number of rounds. These rounds will stop once:
- i) Auction Activity Requirement is 100%; and
  - ii) In any Clock Round, for all Service Areas, there is no bidding activity.

This will establish a common Winning Price for all blocks within a Service Area, and the Winning Bidders in each Service Area.

- b) **Frequency Identification Stage:** The Clock Stage will be followed by a Frequency Identification Stage that will identify specific frequencies for the Winning Bidders. The frequencies identified will be announced simultaneous with the outcome of the Clock Stage. The Frequency Identification Stage will be a random identification of frequencies performed automatically by the Electronic Auction System.

The Government reserves the right to change this allocation at any point during the licence period, if required, for harmonising bands and promoting spectrum efficiency.

Winning Bidders will pay the sum of the relevant Winning Prices set in the Clock Stage for service areas in which they are assigned a block. All Winning Bidders in a service area will have equal Winning Prices as a consequence of the Auction Rules.

The Government reserves the right to change this allotment at any point during the licence period, if required, for harmonising bands and promoting spectrum efficiency.

Winning Bidders will pay the sum of the relevant Winning Prices set in the Clock Stage for service areas in which they are assigned a block. All Winning Bidders in a service area will have equal Winning Prices as a consequence of the Auction Rules.

### 6.3 The Clock Stage

#### 6.3.1 Overview

In the Clock Stage, there is simultaneous bidding for blocks across all 21 Service Areas (excluding Rajasthan). Bidding proceeds in rounds (Clock Rounds). During each Clock Round, bids may be placed for some or all of the Service Areas according to the detailed bidding rules described below.

In each Clock Round, bidders will be told the Clock Round Price per Block for each of the service areas. Bidders will be able to bid for the number of blocks depending upon their respective categorization as a New Entrant or an Existing Licensee. Therefore, in each Clock Round, a Bidder's decisions will consist of "Yes" / "No" choice for each of the service areas at a price equal to the current Clock Round price for that area. If the option "Yes" is selected, then a choice of number of Blocks has to be selected. The number of Blocks for

which the bidder will be permitted to submit his bid for will be a drop down option on the bidding screen depending on the categorization of the bidder for that service area.

By bidding in a Service Area for a number of blocks, if the bid becomes a Winning bid, the Bidder commits to buy the block(s) in that service area at a price not greater than the Clock Round price of the round when the bid was submitted, unless revised in the subsequent rounds with a higher Clock Round price.

A Clock Round will close at a finishing time specified by the Auction Administrator, by which time all Bidders must have placed their bids for all Service Areas. The finishing time is subject to provisions for rounds to be extended and re-scheduled, discussed in Section 6.3.9.

Bidders will be able to switch Bids across service areas from one round to the next subject to certain limitations (called “Activity Rules”) detailed in Section 6.3.4. These rules require that Bidders must demonstrate sufficient bidding activity to maintain their eligibility to make Bids in subsequent rounds, otherwise their ability to make Bids in subsequent rounds will be curtailed. These Activity Requirements will be tightened in steps according to the overall amount of bidding activity in the Auction. Provisional Winning Blocks cannot be switched to other service areas.

In the first Clock Round, the price per Block in each Service Area will be set equal to the Reserve Price. For subsequent rounds, the Clock Round prices in each service area will be set depending on Excess Demand (defined in Section 6.3.6) in the previous completed Clock Round. The excess demand will be determined by the total number of blocks for which the bids have been submitted, for a Clock Round Price (which may be the same for more than one round). Top-up blocks will not be considered while calculating the excess demand.

*\*\* Excess Demand in all Service Areas (except Punjab and Andhra Pradesh) is calculated considering the base of 3 blocks only (excluding top-up blocks). For the Service Areas of Punjab and Andhra Pradesh, Excess Demand is calculated considering the base of 2 blocks.*

The following rules will determine the Clock Round Price other than the first round:

- If excess demand is negative, the Clock Round price in that service area will be equal to the Clock Round price in the last completed Clock Round;
- If Excess Demand is zero or positive, the Clock Round price in that service area will be equal to the Clock Round price in the last completed Clock Round plus a strictly positive price increment determined by the amount of Excess Demand (as given in Table 6-B).

If a new Clock Round is required, further bids will be invited in the new Clock Round. The final Clock Round will be the first round in which the following two conditions are met: (i) Auction Activity Requirement is 100%; and (ii) For all Service Areas, there is no bidding activity. At the end of the final Clock Round, the Provisional Winning Prices will become the Winning Prices, and the Provisional Winning Bidders in the last Clock Round will become

the Winning Bidders who will then be awarded the number of allocated blocks in each Service Area at the Winning Price.

### 6.3.2 Bidding during Clock Rounds

In each Clock Round Bidders will be presented with a bidding form on their respective bidding dashboard, where the following will be displayed:

- Total Earnest Money Deposit (EMD) submitted by the Bidder
- Eligibility Points
- Auction Activity Requirement
- Bidder Activity Requirement

For each of the Service Areas, the following will be displayed on the bidding form:

- Name of the Service Area;
- Number of Blocks available in the Service Area;
- Number of Eligibility Points linked to a block in the Service Area;
- Earnest Money Deposit requirement linked to a block in the Service Area;
- The Clock Round Price in the Service Area for the current Clock Round;
- After the first Clock Round, the price increment that has been applied to the Clock Round price in the last completed Clock Round to determine the current Clock Round in that Service Area;
- After the first Clock Round, Aggregate Demand in that Service Area at the Clock Round Price in the last completed Clock Round;
- After the first Clock Round, Excess Demand in that Service Area at the Clock Round Price in the last completed Clock Round;
- After the first Clock Round, Provisional Winning Price in that Service Area at the Clock Round Price in the last completed Clock Round;
- After the first Clock Round, if the bidder becomes a Provisional Winning Bidder, the rank of the bidder;
- Option to Bid (Yes / No); and
- Option for selection of Number of Blocks

The bidder will have the option to select “Yes” / “No” in each Service Area in a particular Clock Round. On selection of “Yes”, the bidder will have the option to select the Number of Blocks for that Service Area. The overall selection of the Service Areas and the Number of blocks in the selected Service Areas would be restricted on the following factors:



- The total value of the EMD of the number of blocks in the selected Service Areas should be equal to or less than the EMD deposited by the bidder;
- Availability of sufficient Eligibility Points

If a bidder was a Provisional Winning Bidder for the maximum number of blocks permitted as per their categorization for a service area in the last completed Clock Round, and the Clock Round price in the current Clock Round is equal to that in the last completed Clock Round, then the bidder will not have the option to select “Yes” / “No” for this service area, as under these circumstances it is not possible for a bidder to increase the number of Provisional Winning Blocks at the current Clock Round price.

All the Bidders have to submit their respective decision in each Clock Round, even if the Bidder does not want to submit any Bids in the Round. Failure to check and submit a decision by the end of a Clock Round will trigger an automatic extension of the round deadline and reduce the time allowance a Bidder has for future extensions. The provisions for extensions of rounds are discussed in detail in Section 6.3.9.

All the bids which the bidder submits would be subject to the Activity Rules described in Section 6.3.4.

Bidders are required to submit their bid for at least ONE Service Area in the first Clock Round. Any Bidder who fails to do so in the first Clock Round will forfeit its deposit in its entirety.

### **6.3.3 Eligibility Points and Deposits**

For the purpose of applying Activity Rules, each Block of 2 x 1.25MHz in each of the Service Areas has been assigned a specific number of Eligibility Points, based on the Reserve Price of Spectrum in that particular Service Area. The number of points associated with a block of 2 x 1.25MHz in each Service Area is listed in **Table 6-A**.

The eligibility to bid will also be defined by the Earnest Money Deposit which the bidder will deposit and based on which the combination of Service Areas will be determined. Those bidders who have deposited the Earnest Money Deposit within the deadline mentioned by the Government of India will only be permitted to participate in the e-auction.

The Initial Eligibility points for each bidder would be determined by the amount of Earnest Money Deposit which they have submitted to the Government. The same will be calculated by the Auction Administrator based on the Earnest Money Deposit made by the Bidder. Specifically, the Initial Eligibility of a Bidder will equal the greatest eligibility amongst those combinations of Blocks per Service Areas that could be obtained with the Earnest Money Deposit applied for by the Bidder.

Any bidder, who is a New Entrant, is able to bid for a maximum of 3 Blocks per Service Area (except for Punjab and Andhra Pradesh where there are 2 Blocks available). The maximum Earnest Money Deposit which needs to be paid would be Rs. 1,925.00 Crore (considering

that the Bidder is a New Entrant for all the 21 Service Areas and submits the Earnest Money Deposit for the same).

Any bidder, who is an Existing Licensee, is allowed to bid for 1 Block per Service Area (considering that the Bidder is an Existing Licensee in all Service Areas). The maximum Earnest Money Deposit which needs to be paid is Rs. 666.00 Crore (considering that the Bidder is an Existing Licensee for all the 21 Service Areas and submits the Earnest Money Deposit for the same).

Bidders may make smaller Earnest Money Deposit, which will result in corresponding lower levels of Initial Eligibility. Thus it would be a combination of the EMD of the Number of Blocks in the selected Service Areas and the Eligibility Points at that particular Round which would decide the ability to submit the bid for the respective bidder.

*A bidder could be categorized as a New Entrant in some of the Service Areas and as an Existing Licensee in the other Service Areas.*

The Initial Eligibility of Bidders and the identities of Bidders participating in the Auction will be made public once the Government has determined which Applicants are pre-qualified to bid in the Auction.

### **6.3.4 Activity Rule**

In any Clock Round, Bidders will be restricted by their Earnest Money Deposit in the combinations of Blocks for the Service Areas they may bid for. The Earnest Money Deposit requirement associated with a Bid in a Clock Round is equal to:

- In the First Clock Round, the sum of the Earnest Money Deposit requirements associated with the service areas where the Bidder places a bid for a number of block(s);
- After the First Clock Round, the sum of:
  - (i) The Earnest Money Deposit requirements associated with the Number of Block(s) in those Service Areas in which the Bidder has been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round (regardless of whether or not this bid has been submitted by the Bidder in the current Clock Round); and
  - (ii) The Earnest Money Deposit requirements associated with the Number of Block(s) in those Service Areas where the Bidder has not been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round and in which the Bidder bids for a number of blocks in the current Clock Round.

Bidders may only bid for combinations of services areas with an associated Earnest Money Deposit requirement that does not exceed the total Earnest Money Deposit made by the Bidder. For example, a Bidder  $x$  who is a Provisional Winning Bidder for 3 Blocks in Gujarat at the end of Clock Round  $R$ , again bids in Gujarat in Round  $R+1$  at a higher Clock Round

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price but with a reduced number of 2 blocks. In this case, the Earnest Money Deposit requirement will be calculated based on 3 blocks in Round  $R+1$ . The Earnest Money Deposit requirement of a bidder in a particular Service Area will correspond to the higher of either the number of blocks where the bidder is already a Provisional Winning Bidder or the number of blocks where the bidder is placing his bid.

In addition to the same, in any given Clock Round, the activity of a Bidder may not exceed its eligibility in that Clock Round.

The activity of a bidder in a Clock Round is equal to:

- In the first Clock Round, the Eligibility Points associated with service areas where the Bidder bids for a number of block(s);
- After the first Clock Round, the sum of:
  - (i) The Eligibility Points associated with the number of Block(s) in the Service Areas in which the Bidder has been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round (regardless of whether or not this bid has been submitted by the Bidder in the current Clock Round ); and
  - (ii) The Eligibility Points associated with the number of Block(s) in the Service Areas where the Bidder has not been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round and in which the Bidder bids for a number of block(s) in the current Clock Round.

For each Clock Round the Auction Administrator will announce the Auction Activity Requirement (AAR) that will apply to that Clock Round. The Auction Activity Requirement is the percentage of the Bidder's Eligibility Points that determines the level of activity that a Bidder must meet in that Clock Round in order to maintain its eligibility in the following Clock Round. This threshold (rounded up to the nearest whole number) is referred to as the Bidder's Activity Requirement in that Clock Round.

After the First Clock Round, the eligibility of each Bidder is calculated as follows:

- If the Bidder's activity in a Clock Round  $R$  is EQUAL to or GREATER than its Activity Requirement, then the Bidder's eligibility in the next Clock Round  $R+1$  will be equal to the Bidder's eligibility in the Clock Round  $R$ ;
- If the Bidder's activity in a Clock Round is LESS than the Bidder's Activity Requirement for that Clock Round, then the eligibility of the Bidder in the next Clock Round  $R+1$  will be equal to its activity level in the Clock Round  $R$  divided by the Auction Activity Requirement, rounded down to the nearest whole number:

$$\text{Eligibility Points of Bidder in Clock Round } R+1 = \frac{\text{Activity Level in Clock Round } R}{\text{Auction Activity Requirement in Round } R}$$

For example, suppose that in a Clock Round  $R$ , Bidder  $x$  has an eligibility of 70 points. If the Auction Activity Requirement, as defined by the Auction Administrator for particular Clock Round  $R$ , is 80%, the Bidder's Activity Requirement is 56 points ( $70 \times 80\%$ , which in case of decimal values will be rounded down to the nearest whole number). Suppose that Bidder  $x$  submits a bid with an associated activity of 60 points, then, the eligibility of Bidder  $x$  in the next Clock Round  $R+1$ , would be equal to 70 points since 60 is GREATER than 56. However, suppose that Bidder  $x$  submits a bid with an associated activity of 50 points which is LESS than 56; then the eligibility of Bidder  $X$  in the Clock Round  $R+1$ , would be reduced to 63 points ( $50/80\%$  rounded down to the nearest whole number).

Bidders can view their respective Eligibility and the associated Activity Requirement in each Clock Round on their respective bidding dashboard at the start of the Clock Round. In the first Clock Round, the Auction Activity Requirement will be set at 80%. Subsequently, the Auction Activity Requirement will be increased in two steps as the Auction progresses, from 80% to 90% and then to 100%.

The timing of these steps in the Activity Requirement will be determined by the Auction Administrator depending on the extent of overall bidding activity in the Auction process. The Auction Administrator would typically expect to give notice before a round of a forthcoming increase in the Auction Activity Requirement but the same would not be binding on the Auction Administrator and the Auction Activity Requirement can be increased based on the activity in a particular round.

The clock rounds can end only when the Auction Activity Requirement is 100%.

### **6.3.5 Ranking of Bidders and Provisional Winning Bidders**

For the purpose of determining the Provisional Winning Bidders in each Service Area, the bids of the bidders for the number of blocks in a Service Area will be considered at the end of each Clock Round. This ranking process is undertaken separately for each service area. For determining the Provisional Winning Bidders, the first process would be to identify the Provisional Winning Blocks at the end of each Clock Round. The Provisional Winning Bidders would be ranked using the following criteria:

- In descending order according to the Clock Round Price for that Service Area in the Clock Round when the Bid was made;
- Where there is a tie according to the first criterion, ranking will be in ascending order according to the Clock Round when the Bid was submitted for a particular Service Area (thus, Bids submitted in earlier Clock Rounds take precedence);
- Where there is a tie according to the first two criteria, ties will be broken according to a random index assigned to the Bid in that service area when it is received by the EAS.

The Random Index assigned to a Bid will be determined in the Clock Round when a Bid is made.

Where a Service Area that has 3 blocks put up for auction, the different conditions under which the Provisional Winning Blocks are determined are as follows:

In every Clock Round, the different conditions under which the Provisional Winning Blocks (in Service Areas which has 3 blocks put up for auction) and corresponding bidders are determined are as follows:

- a) If the number of blocks for which the bids have been received is less than 3, in which case all the blocks will be considered as Provisional Winning Blocks. Due to excess demand being negative, to determine the Provisional Winning Blocks/ corresponding bidders the Provisional Winning Bidders from the previous Clock Round, *R-1*, in sequence of ranking will be considered.
- b) If the number of blocks for which the bids have been received is equal to 3, in which case also all the blocks will be considered as Provisional Winning Blocks.
- c) If the number of blocks for which the bids have been received is greater than 3, in which case the bids received for the first 3 blocks according to their ranking will be considered for Provisional Winning Blocks.

*\*\* In case of Service Areas of Punjab and Andhra Pradesh, there are 2 blocks put up for auction. Hence, the excess demand would be calculated considering the base of 2 blocks only. The Provisional Winning Blocks will also be identified considering the base of 2 blocks.*

*It is clarified that while identifying the Provisional Winning Bidders of Round, *R*, the Provisional Winning Bidders from Round, *R-1*, will be considered only if the excess demand is Negative in Round, *R*.*

Based on the determination of the Provisional Winning Blocks, the Provisional Winning Bidders who had submitted the same would be identified and ranked.

The Provisional Winning Price for a particular Service Area will be equal to the lowest of the Clock Round prices at which the Provisional Winning Bidders submitted their Provisional Winning Blocks. In some cases, the Provisional Winning Price may be less than one or more of the Provisional Winning Blocks. However, the Provisional Winning Price will never be strictly greater than any of the Provisional Winning Blocks.

*\*\* Provisional Winning Blocks are not linked with any particular frequency. The Provisional Winning Blocks are determined only to identify the Provisional Winning Bidders during the Clock Round and the Winning Bidder at the end of the Clock Stage. The frequency identification stage will determine specific frequencies to be assigned.*

### 6.3.6 Prices and Price Increments

In the first Clock Round, the Clock Round price per Block in each Service Areas will be the Reserve Price as determined by the Government. The Reserve Price associated with each Service Area is shown in **Table 6-A**.

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At the end of a Clock Round, Excess Demand in a service area is defined to be:

- The total number of Blocks for which Bids received in a particular Service Area at a price equal to the Clock Round price set in the last completed Clock Round; **minus**
- The number of Blocks available in that Service Area, which is 3 blocks (except for Punjab and Andhra Pradesh where the number of blocks put up for auction are 2).

Hence, Excess Demand is calculated based on the number of Blocks for which bids have been made for a particular Service Area at the Clock Round price of the last completed round, regardless of whether the same was made in the last round or even prior to the last round. However, Excess Demand does not count any Bids made at a price strictly lower than the Clock Round price of the last completed round.

Clock Round Prices for the next Clock Round would be set according to the following rules:

- If Excess Demand is **NEGATIVE** in a Service Area, the Clock Round price for blocks in this Service Area in the next Clock Round will be set equal to the Clock Round price in the last completed Clock Round;
- If Excess Demand is **ZERO** or **POSITIVE** in a Service Area, the Clock Round price for blocks in this Service Area in the next Clock Round will be set equal to the Clock Round price in the last completed Clock Round plus a strictly positive price increment as given in Table 6-B.

Two examples of the calculation of excess demand are given below:

Example – 1:

Round No. 10		Clock Round Price = Rs. 100	
Rank	Name of Bidder	Number of Blocks for which Bids have been submitted	Number of blocks allocated as a Provisional Winning Bidder
1	New Bidder-1	2	2
2	Existing Bidder-1	1	1
3	Existing Bidder-2	1	0
4	New Bidder-2	3	0
Demand in Clock Round No. 10 at Clock Round Price of Rs. 100		7	→Will be considered as Positive as Total Demand at Clock Round Price of Rs. 100 is 7.
Excess Demand at Clock Round Price of <b>Rs. 100</b> is 4			
Clock Round Price for Round No. 11 will be increased from Rs. 100 to a new value which will be (Rs. 100 + a strictly positive price increment).			

Example – 2:

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Round No. 10		Clock Round Price = Rs. 100	
Rank	Name of Bidder	Number of Blocks for which Bids have been submitted	Number of blocks allocated as a Provisional Winning Bidder
1	New Bidder-1	2	2
Demand in Clock Round No. 10 at Clock Round Price of Rs. 100		2	→Will be considered as Negative as Total Demand at Clock Round Price of Rs. 100 is 2.
Excess Demand at Clock Round Price of <b>Rs. 100</b> is (-1)			
Clock Round Price for Round No. 11 will be same at Rs. 100 due to Negative Demand.			
Round No. 11		Clock Round Price = Rs. 100	
Rank	Name of Bidder	Number of Blocks for which Bids have been submitted	Number of blocks allocated as a Provisional Winning Bidder
1	Existing Bidder-2	1	1
Demand in Clock Round No. 10 at Clock Round Price of Rs. 100		1	→Will be considered as Positive as Total Demand at Clock Round Price of Rs. 100 is 3 since the demand is calculated for a Clock Round Price which might be same over multiple rounds.
Excess Demand at Clock Round Price of <b>Rs. 100</b> is 0			
Clock Round Price for Round No. 12 will be increased from Rs. 100 to a new value which will be (Rs. 100 + a strictly positive price increment).			

Price Increments may vary from Service Area to Service Area and will be related to the excess demand in the respective Service Areas. They will be set to no more than 10% of the Clock Round price for that service area in the last completed Clock Round. The Auction Administrator will follow the rule set out in the **Table 6-B**.

The number of blocks for which the bidders can bid would depend on the activity rule and the following parameters:

- i) If the bidder is bidding in a Service Area for the first time, he can bid for 1 block (existing Licensee) or for 2/3 blocks (New Entrant).
- ii) If the bidder has already submitted his bid in the last completed Clock Round and is a Provisional Winning Bidder for  $n$  blocks, then the bidding in the subsequent round will be restricted as follows:

- a) If the Clock Round Price is same, then an existing Licensee will not be able to revise his bid as he is already the Provisional Winning Bidder for 1 block.
- b) If the Clock Round Price is same and considering  $n$  as 2 in case of a new entrant, then the bidder can bid for 3 blocks only (except for Punjab and Andhra Pradesh where there is no such option).
- c) If the Clock Round Price is same and considering  $n$  as 3 in case of a new entrant, then the bidder cannot revise his bid as he is already the Provisional Winning Bidder for the maximum number of blocks at a Clock Round Price.
- d) If the Clock Round Price is higher, then the bidder can bid for 1 block (existing Licensee) or 2/3 blocks (new entrant), irrespective of whether they are the Provisional Winning Bidders or not.

### 6.3.7 Winning Bids and Winning Prices

The final clock round will be the first clock round in which:

- The Activity Requirement is 100%; and
- For all Service Areas, there is there are no bids submitted by any of the bidders i.e. bidding activity is NIL.

The Provisional Winning Price in any particular Service Area at the end of the final Clock Round will become the Winning Price for the respective Service Area, and Provisional Winning Bidders will become Winning Bidders. Winning Bidders will be required to pay the Winning Price for the Service Area(s) they have won. The Winning Price per block for all the Winning Bidder(s) will be the same. The Winning Price to be paid by a Winning Bidder may be less than or equal to his highest bid (but never greater than the highest bid of a Winning Bidder) for that particular Service Area.

### 6.3.8 Top-up Rules

There is a provision for top-up up to 1 block of 1.25MHz so as to make a minimum allocation of Two Blocks for a new entrant. The top-up rules will be applied in each Clock Round and subject to a top-up of One Block for each Service Area (wherever available). In other words, if a New Entrant bidder is deemed to be a Provisional Winning Bidder for 1 Block, then the Blocks allocated at the end of this particular Clock Round would be topped up with one additional Block, wherever available. This will ensure that if a New Entrant happens to be a Provisional Winning Bidder, he will be allotted a minimum of 2 Blocks for that particular Service Area. The top-up facility will be activated only for New Entrants and for those Service Areas where the Bidder (New entrant) is a Provisional Winning Bidder.

Top-up will not be used to calculate the excess demand for a particular Service Area. Top-up is used only for the allocation purpose and only to a New Entrant so as to make a minimum allocation of 2 blocks.

The number of blocks available for topping in each Service Area are given in Table 2-B.



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Some examples of the application of top-up are given below:

<b><u>No Top-up Used</u></b>			
<b>Rank</b>	<b>Bidder Name</b>	<b>No. of Blocks for which bid Submitted</b>	<b>No. of Blocks allotted as a Provisional winning Bidder</b>
1	Existing Bidder – 1	1	1
2	New Bidder – 1	2	2
3	Existing Bidder – 2	1	0
4	New Bidder – 2	2	0

<b><u>1 block used for Top-up</u></b>			
<b>Rank</b>	<b>Bidder Name</b>	<b>No. of Blocks for which bid Submitted</b>	<b>No. of Blocks allotted as a Provisional winning Bidder</b>
1	Existing Bidder – 1	1	1
2	Existing Bidder – 2	1	1
3	New Bidder – 1	2	1 + 1

### **6.3.9 Length of Clock Rounds and Extension Periods**

Clock Rounds will typically only be scheduled to begin between the hours of 09.30 and 19.00 hours (Indian Standard Time) on Monday through Saturday, except national holidays. However, the Auction Administrator reserves the right not to schedule Clock Rounds on one or more days, to extend the number of hours in the day during which rounds will be scheduled or to run rounds on any day once the Auction commences at its absolute discretion in order to ensure the smooth running of the Auction. Where the use of any of these facilities is to be exercised, advance notice, through the EAS, will be provided to Bidders.

Prior to the start of any Clock Round, the Auction Administrator will notify Bidders of the starting and finishing times of the next Clock Round through the EAS. At least 15 minutes notice will be given of the start of the next Clock Round.

Also, Bidders will be notified in advance of the starting time and date of the first Clock Round.

A Clock Round will be for a minimum duration of 1 hour (60 minutes). The auction will go to the extension mode as per the bids which are submitted by the bidder.

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During the Clock Round, the Bidders can enter the following parameters in the EAS:

- Selection of Service Areas – “Yes” / “No”, depending on whether the bidder is eligible to bid.
- Number of Blocks – Depending on whether the Bidder is a New Entrant or an Existing Licensee, bid can be submitted to a minimum of 2 and a maximum of 3 for a New Entrant and an Existing Licensee can bid for 1 block respectively. For the Service Areas of Punjab and Andhra Pradesh, the New Entrant can submit a bid for 2 blocks only.

Based on the selection of Service Areas and the Number of Blocks for the selected Service Areas, the EAS will check and display the following to the respective bidder:

- If the selection made is compatible with the EMD which the bidder has submitted for participation in the e-auction.
- Additionally, the selection has to be compatible with the requirements of the Activity Rules.
- The Bidder’s eligibility for the Next Round would also be calculated by the System and displayed to the bidders on their respective bidding dashboard. In the case where the Bidder’s eligibility is reduced due to the combination of Number of Blocks opted for the selected Service Areas, a warning message will be displayed on the respective bidder’s screen. The bidder at this point of time will have the option to go back and modify their selection.

Only those bids which are compatible with all the rules of the e-auction will be accepted by EAS. The respective bidder’s will be given an appropriate message of acceptance of their bids by the EAS.

*It would be the respective bidder’s responsibility to ensure that their bids are received by EAS prior to the end of the Clock Round. For the purposes of determining whether or not a Bid is received prior to the end of the Clock Round, the EAS must receive the Bid submission by the end of the Clock Round. Bidders should be aware that it takes a finite amount of time to transmit a Bid across the Internet and for the EAS to respond which could be as a result of various factors but not limiting only to the speed of the Internet bandwidth at the Bidder’s terminal. Bidders submitting decisions close to the end of the Clock Round do so entirely at their own risk of failing to meet the Clock Round deadline due to network delays or delays in response by the EAS. Bids are not processed by the EAS until the Clock Round is closed and no tactical or strategic advantage is conferred by submitting Bids late within the Clock Round.*

After the end of a Clock Round, the results would be announced for each of the Service Areas. If there is bidding activity in any service area and a further Clock Round is required, this Clock Round will be scheduled and the start and finish times announced to Bidders through the EAS subject to at least 15 minutes notice of the start of the next Clock Round.

To guard against technical problems and provide Bidders with some additional flexibility in making bidding decisions, Bidders are provided with limited opportunities to extend a Clock Round and defer submission of a Bid. Each Bidder is allocated an Extension Budget of 4 hours.

In the event that a Bidder fails to submit a valid bid (compatible with the rules of the e-auction) by the end of the initial finishing time of a Clock Round (and has at least 10 minutes remaining in its Extension Budget), 10 minutes will be subtracted from its Extension Budget and the finishing time of the Clock Round will be deferred by 10 minutes for that Bidder. In the event that the Bidder fails to submit by the revised deadline (and has at least 10 minutes remaining in its Extension Budget), a further 10 minutes will be subtracted from its Extension Budget and the finishing time deferred by a further 10 minutes for that Bidder. A Bidder may defer the original scheduled finishing time of any one Clock Round by at most 60 minutes in this way.

The bidders are requested to note that it is mandatory for the respective bidders to check and submit their decision, even if the respective bidder is a Provisional Winning Bidder. In case of a bidder failing to do so within the initial finishing Clock Round, the extension would be triggered automatically and the same would be deducted from the Total Extension Budget available to the respective bidder. Further, even if the bidder happens to be in a position such that no New Bids could be made/ raised, It will still be necessary for the bidder to submit the “No” decision into the EAS to avoid triggering an extension.

If the original finishing time of the Clock Round has been deferred by 60 minutes or if the Bidder’s Extension Budget is exhausted, no further deferral of the Clock Round finishing time will be possible. In this case, if no submission is logged by the EAS prior to the end of the Clock Round; the EAS will proceed as if the relevant Bidder has entered his bid without revising in all the Service Areas. As a consequence, the Bidder’s eligibility in the following Clock Round will be calculated based on the eligibility linked to its Provisional Winning Blocks at the end of the previous Clock Round and the Auction Activity Requirement in the current round. It could also happen that the bidder is not able to participate further in subsequent Clock Rounds due to non-availability of sufficient Eligibility points as a result of non-submission of bids in the last completed Clock Round.

If one or more Bidders trigger an extension period, all Bidders will be informed that an extension is running by the EAS. In case of any particular Bidder triggering an extension does not remove the requirement on other Bidders to submit their decision by the original deadline or to have their Extension Budget reduced if they have also failed to submit their Bids within the stipulated time. In particular, if more than one Bidder has failed to submit a decision by the original finishing time of a Clock Round, all such Bidders will either have the number of minutes deducted from their Extension Budgets (or if they have exhausted their Extension Budget) deemed to have made no further revision to their decision in the current round. Bidders that have already checked and submitted a decision prior to the original finishing time of the Clock Round will not be able to revise or modify their decision during an extension period.

A Clock Round, which is into the extension period, may close prior to the finishing time of an extension period if the EAS has received Bids from all Bidders. The bidders are requested to note that this provision does not apply within a normal Clock Round that has not been extended; Clock Rounds will not close prior to the scheduled finishing time even if the EAS has received Bids from all Bidders.

The minimum time between the ending of One Clock Round and the start of the Next Clock Round will be 20 minutes. The same would be announced to Bidders through the EAS subject to at least 15 minutes notice before the start of the next Clock Round.

In exceptional circumstances, such as technical failure affecting multiple Bidders, the Auction Administrator may:

- Re-schedule the start of a Clock Round whose starting time has been announced provided that the Clock Round has not yet started;
- Re-schedule the finishing time of a Clock Round in progress;
- Cancel a Clock Round in progress and re-run it;
- Grant one or more Bidders additional Extension Budget.

The Auction Administrator will not grant any additional Extension Budget to one or more Bidders unless there is compelling evidence of technical failures affecting multiple bidders.

### 6.4 Frequency Identification Stage

The Clock Stage will be followed by a Frequency Identification Stage that will identify specific frequencies for the Winning Bidders. The frequencies identified will be announced simultaneous with the outcome of the Clock Stage. The Frequency Identification Stage will be a random identification of frequencies performed automatically by the Electronic Auction System as follows:

- (i) A New Entrant Winning Bidder will be allotted spectrum blocks as follows:
  - a) In Service Areas, except Punjab and Andhra Pradesh, where a New Entrant Winning Bidder has won 3 blocks i.e. 3.75MHz, then all 3 blocks will be assigned to the New Entrant Winning Bidder.
  - b) In Service Areas, except Punjab, where a New Entrant Winning Bidder has won 2 blocks i.e. 2.5MHz, and there is no other New Entrant Winning Bidder, then 2 contiguous blocks will be assigned to the New Entrant Winning Bidder.
  - c) In Service Areas where a New Entrant Winning Bidder has won 2 blocks i.e. 2.5MHz, and there is another New Entrant Winning Bidder (which will be possible only in those Service Areas where top-up blocks are available), then random identification of frequencies will be done for assigning 2 blocks each to both the New Entrant Winning Bidders.

- d) For the Service Area of Punjab, as there are only 2 blocks which are put for auction which are non-contiguous, random identification of frequencies will be done for the Winning Bidder(s).
- (ii) Random identification of frequencies will be done for the Winning Bidders who are Existing Licensees.

Frequency reconfiguration i.e. rearrangement of spot frequencies in the same band, from within the assignments made to the licensees, may be carried out, with the authorization of WPC Wing, among the licensees, **only** when the entire spectrum held by them is liberalized. No charges will be levied for rearrangement of frequency spots.

The Government reserves the right to change the frequency allocation at any point over the duration of the relevant licenses where this is required for harmonising bands and promoting spectrum efficiency.

### 6.5 Information Policy

Prior to the start of the Auction, the Government will make public:

- A list of pre-qualified Bidders;
- The information provided in these Bidders' applications about their ownership structures;
- The amount of EMD provided by the Bidder; and
- The number of Initial Eligibility points granted to each Bidder as a result of its EMD.

During the Clock Round Stage, the following information will be provided to Bidders after each completed Clock Round:

- The Clock Round price per Block in each Service Area in the last completed Clock Round;
- The total number of blocks for which bids have been received in each Service Area in the last completed Clock Round;
- The Aggregate Demand in each Service Area at the Clock Round prices in the last completed Clock Round (i.e. for each Service Area, the total number of blocks for which bids have been received in the Service Area at a value equal to the Clock Round price in the last completed Clock Round); and
- The Excess Demand in each Service Area at the Clock Round prices in the last completed Clock Round (i.e. for each Service Area, Aggregate demand less the number of blocks available in the Service Area).

If the last completed Clock Round was not the final Clock Round, the following information will also be provided to each Bidder:

- The Provisional Winning Price in each Service Area at the end of the last completed Clock Round;
- The Provisional Winning Blocks (if any) held by the respective Bidder in each Service Area(s) at the end of the last completed Clock Round;
- The price at which any such Provisional Winning Blocks were allocated to the Bidder as a Provisional Winning Bidder;
- The rank of the Bidder at the end of last completed Clock Round where the Bidder has submitted a bid;
- Total number of Eligibility Points available to the particular Bidder for the next Clock Round.

If the last completed Clock Round was not the final Clock Round, the following information will be provided to each Bidder at the time at which the next Clock Round is scheduled on their respective bidding dashboard:

- The price increment to be applied in each service area; and
- The Clock Round price per Block in each Service Area that will apply for the next Clock Round.

At the end of the final Clock Round, the following information will be provided to all Bidders:

- That the last completed Clock Round was the final Clock Round;
- The Winning Prices; and
- The identities of the Winning Bidders.

Information relating to the specific Bids made by Bidders (whether successful or not) in each service area will not be provided at the end of each Clock Round (other than the information provided about the Winning Bids after the final Clock Round), but will be made public in their entirety subsequently after the Frequency Identification Stage.

### **6.6 Collusion and other Prohibited Activities**

The Government of India reserves the right to disqualify any Bidder that:

- Colludes or attempts to collude with another Bidder in determining its Bids during the Auction;
- Releases Confidential Information with the effect or intention of modifying the bidding behaviour of other pre-qualified Bidders;
- Breaches or attempts to breach the secure measures within the EAS;
- Prevents or attempts to prevent any other Bidder (or other users of the EAS) from accessing the EAS;
- Attempts to influence the decisions of the Auctioneer in conducting the Auction;

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- Obstructs or attempts to obstruct the running of the Auction;
- Provides inaccurate information in its Application to participate in the Auction.

In the event of such disqualification, a Bidder's EMD will be forfeited and the Government may undertake other penal action as well against such a Bidder.

The Government reserves the right to impose a fine equal to some or all of a Bidder's deposit for less serious breaches of these rules. Such fines shall be deducted from that Bidder's EMD.

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<b>Table 6-A</b>		<b>Service Areas, Reserve Price, Deposits required and Eligibility Points for e-auction of Spectrum in 800MHz Band.</b>			
<b>Sl. No.</b>	<b>Service Area</b>	<b>Areas Covered</b>	<b>Reserve Price per Block per Service Area (Rs. Crore)</b>	<b>Required Deposit per Block per Service Area (Rs. Crore)</b>	<b>Eligibility Points per Block</b>
1.	West Bengal	Entire area falling within the Union Territory of Andaman & Nicobar Islands and within the State of West Bengal and the State of Sikkim excluding the areas covered by Kolkata Metro Service Area.	33.59	11.00	9
2.	Andhra Pradesh	Entire area falling within the State of Andhra Pradesh.	372.99	55.00	50
3.	Assam	Entire area falling within the State of Assam.	11.27	3.75	3
4.	Bihar	Entire area falling within the re-organized State of Bihar and newly created State of Jharkhand pursuant to the Bihar Reorganization Act, 2000 (No. 30 of 2000) dated 25 <sup>th</sup> August, 2000.	55.26	11.00	9
5.	Gujarat	Entire area falling within the State of Gujarat and Union Territory of Daman and Diu, Silvassa (Dadra & Nagar Haveli).	292.29	55.00	50
6.	Haryana	Entire area falling within the State of Haryana except Panchkula town and the local areas served by Faridabad and Gurgaon Telephone exchanges.	60.47	11.00	9
7.	Himachal Pradesh	Entire area falling within the State of Himachal Pradesh.	10.11	3.75	3
8.	Jammu & Kashmir	Entire area falling within the State of Jammu & Kashmir including the autonomous council of Ladakh.	8.23	3.75	3
9.	Karnataka	Entire area falling within the State of Karnataka.	429.16	55.00	50



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10.	Kerala	Entire area falling within the State of Kerala and Union Territory of Lakshadweep and Minicoy.	84.89	18.00	15
11.	Madhya Pradesh	Entire area falling within the re-organized State of Madhya Pradesh as well as the newly created State of Chattisgarh pursuant to the Madhya Pradesh Re-organization Act, 2000 (No. 28 of 2000) dated 25 <sup>th</sup> August, 2000.	70.18	18.00	15
12.	Maharashtra	Entire area falling within the State of Maharashtra and Union Territory of Goa, excluding areas covered by Mumbai Metro Service Area.	341.66	55.00	50
13.	North East	Entire area falling within the States of Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Manipur and Tripura.	11.49	3.75	3
14.	Orissa	Entire area falling within the State of Orissa.	26.35	11.00	9
15.	Punjab	Entire area falling within the State of Punjab and Union Territory of Chandigarh and Panchkula town of Haryana.	87.47	18.00	15
16.	Rajasthan	Entire area falling within the State of Rajasthan.	87.20	18.00	15
17.	Tamil Nadu	Entire area falling within the State of Tamil Nadu and Union Territory of Pondicherry including local areas served by Chennai Telephones, Maraimalai Nagar Export Promotion Zone (MPEZ), Minzur and Mahabalipuram Exchanges.	397.92	55.00	50
18.	Uttar Pradesh (West)	Entire area covered by Western Uttar Pradesh with the following as its boundary districts towards Eastern Uttar Pradesh: Pilibhit, Bareilly, Badaun, Etah, Mainpuri and Etawah. It will exclude the local telephone area of Ghaziabad and	139.63	18.00	15

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		Noida. However, it will also include the newly created State of Uttaranchal pursuant to the Uttar Pradesh Reorganisation Act, 2000 (No.29 of 2000) dated 25 <sup>th</sup> August, 2000.			
19.	Uttar Pradesh (East)	Entire area covered by Eastern Uttar Pradesh with the following as its boundary districts towards Western Uttar Pradesh: Shahjahanpur, Farrukhabad, Kanpur and Jalaun.	99.02	18.00	15
20.	Delhi	Local Areas served by Delhi, Ghaziabad, Faridabad, Noida, and Gurgaon Telephone Exchanges.	900.98	112.00	105
21.	Kolkata	Local Areas served by Calcutta Telephones.	147.84	18.00	15
22.	Mumbai	Local areas served by Mumbai, New Mumbai and Kalyan Telephone Exchanges.	881.99	112.00	105

**Note:**

- Yenum, an area of Union Territory of Pondicherry is served under Andhra Pradesh Telecom Circle in East Godavari LDCA.
- The definition of local areas of exchanges will be as applicable to the existing cellular operators, i.e. at the time of grant of cellular Licences in Metro Cities.
- The definition of local areas with regard to the above service area as applicable to this licence is as per definition applicable to Cellular Mobile Service Licences as in the year 1994 & 1995, when those Licences were granted to them. This is in accordance with respective Gazette Notification for such local areas wherever issued and as per the statutory definition under Rule2(w) Indian Telephones Rules, 1951, as it stood during the year 1994/1995 where no specific Gazette Notification has been issued.

**Table 6-B – Proportionate Price Increment rule for e-auction of Spectrum in 800MHz Band**

Excess Demand	Price Increment as a Percentage of previous Clock Round Price
Less than ZERO (Negative)	0%
0	1%
1	1%
2	2%
3	3%
4	4%
5	5%
6	6%
7	7%
8	8%
9	9%
10 or more	10%

**\*\* The Price Increment calculated for a Service Area will always be capped by the following maximum absolute price increments for each Service Area.**

Sl. No.	Service Area	Maximum Price Increment per Round (In Rs. Crore)
1.	West Bengal	11.00
2.	Andhra Pradesh	55.00
3.	Assam	3.75
4.	Bihar	11.00
5.	Gujarat	55.00
6.	Haryana	11.00
7.	Himachal Pradesh	3.75
8.	Jammu & Kashmir	3.75

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9.	Karnataka	55.00
10.	Kerala	18.00
11.	Madhya Pradesh	18.00
12.	Maharashtra	55.00
13.	North East	3.75
14.	Orissa	11.00
15.	Punjab	18.00
16.	Rajasthan	18.00
17.	Tamil Nadu	55.00
18.	Uttar Pradesh (West)	18.00
19.	Uttar Pradesh (East)	18.00
20.	Delhi	112.00
21.	Kolkata	18.00
22.	Mumbai	112.00

**\*\* All price increments will be in Rs. Crore, rounded down to two decimal places. Therefore, throughout the Auction all prices will be in Rs. Crore with at most two decimal places.**

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Table 6-C		Earnest money deposits and associated eligibility points for 800MHz band Auction							
Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
0.00	0	155.50	141	308.00	284	459.00	429	614.00	570
3.75	3	159.00	144	311.75	287	462.75	432	615.00	575
7.50	6	162.75	147	315.00	290	466.00	435	618.75	578
11.00	9	166.00	150	318.75	293	469.75	438	622.50	581
14.75	12	167.00	155	322.50	296	473.50	441	626.00	584
18.00	15	170.75	158	326.00	299	477.00	444	629.75	587
21.75	18	174.50	161	329.75	302	480.75	447	633.00	590
25.50	21	178.00	164	333.00	305	484.00	450	636.75	593
29.00	24	181.75	167	334.00	310	487.75	453	640.50	596
32.75	27	185.00	170	336.00	315	491.50	456	644.00	599
36.00	30	188.75	173	339.75	318	495.00	459	647.75	602
39.75	33	192.50	176	343.50	321	498.75	462	651.00	605
43.50	36	196.00	179	347.00	324	502.00	465	654.75	608
47.00	39	199.75	182	350.75	327	503.00	470	658.50	611
50.75	42	203.00	185	354.00	330	506.75	473	662.00	614
54.00	45	206.75	188	357.75	333	510.50	476	665.75	617
55.00	50	210.50	191	361.50	336	514.00	479	669.00	620
58.75	53	214.00	194	365.00	339	517.75	482	670.00	625
62.50	56	217.75	197	368.75	342	521.00	485	672.00	630
66.00	59	221.00	200	372.00	345	524.75	488	675.75	633
69.75	62	222.00	205	375.75	348	528.50	491	679.50	636
73.00	65	224.00	210	379.50	351	532.00	494	683.00	639
76.75	68	227.75	213	383.00	354	535.75	497	686.75	642
80.50	71	231.50	216	386.75	357	539.00	500	690.00	645
84.00	74	235.00	219	390.00	360	542.75	503	693.75	648
87.75	77	238.75	222	391.00	365	546.50	506	697.50	651
91.00	80	242.00	225	394.75	368	550.00	509	701.00	654
94.75	83	245.75	228	398.50	371	553.75	512	704.75	657
98.50	86	249.50	231	402.00	374	557.00	515	708.00	660
102.00	89	253.00	234	405.75	377	558.00	520	711.75	663
105.75	92	256.75	237	409.00	380	560.00	525	715.50	666
109.00	95	260.00	240	412.75	383	563.75	528	719.00	669
110.00	100	263.75	243	416.50	386	567.50	531	722.75	672
112.00	105	267.50	246	420.00	389	571.00	534	726.00	675
115.75	108	271.00	249	423.75	392	574.75	537	727.00	680
119.50	111	274.75	252	427.00	395	578.00	540	730.75	683
123.00	114	278.00	255	430.75	398	581.75	543	734.50	686
126.75	117	279.00	260	434.50	401	585.50	546	738.00	689
130.00	120	282.75	263	438.00	404	589.00	549	741.75	692
133.75	123	286.50	266	441.75	407	592.75	552	745.00	695
137.50	126	290.00	269	445.00	410	596.00	555	748.75	698
141.00	129	293.75	272	446.00	415	599.75	558	752.50	701
144.75	132	297.00	275	448.00	420	603.50	561	756.00	704
148.00	135	300.75	278	451.75	423	607.00	564	759.75	707
151.75	138	304.50	281	455.50	426	610.75	567	763.00	710

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Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
766.75	713	917.75	858	1070.50	1001	1225.75	1142	1376.75	1287
770.50	716	921.50	861	1074.00	1004	1229.00	1145	1380.00	1290
774.00	719	925.00	864	1077.75	1007	1230.00	1150	1383.75	1293
777.75	722	928.75	867	1081.00	1010	1232.00	1155	1387.50	1296
781.00	725	932.00	870	1084.75	1013	1235.75	1158	1391.00	1299
782.00	730	935.75	873	1088.50	1016	1239.50	1161	1394.75	1302
784.00	735	939.50	876	1092.00	1019	1243.00	1164	1398.00	1305
787.75	738	943.00	879	1095.75	1022	1246.75	1167	1399.00	1310
791.50	741	946.75	882	1099.00	1025	1250.00	1170	1402.75	1313
795.00	744	950.00	885	1102.75	1028	1253.75	1173	1406.50	1316
798.75	747	951.00	890	1106.50	1031	1257.50	1176	1410.00	1319
802.00	750	954.75	893	1110.00	1034	1261.00	1179	1413.75	1322
805.75	753	958.50	896	1113.75	1037	1264.75	1182	1417.00	1325
809.50	756	962.00	899	1117.00	1040	1268.00	1185	1420.75	1328
813.00	759	965.75	902	1118.00	1045	1271.75	1188	1424.50	1331
816.75	762	969.00	905	1120.00	1050	1275.50	1191	1428.00	1334
820.00	765	972.75	908	1123.75	1053	1279.00	1194	1431.75	1337
823.75	768	976.50	911	1127.50	1056	1282.75	1197	1435.00	1340
827.50	771	980.00	914	1131.00	1059	1286.00	1200	1438.75	1343
831.00	774	983.75	917	1134.75	1062	1287.00	1205	1442.50	1346
834.75	777	987.00	920	1138.00	1065	1290.75	1208	1446.00	1349
838.00	780	990.75	923	1141.75	1068	1294.50	1211	1449.75	1352
839.00	785	994.50	926	1145.50	1071	1298.00	1214	1453.00	1355
842.75	788	998.00	929	1149.00	1074	1301.75	1217	1454.00	1360
846.50	791	1001.75	932	1152.75	1077	1305.00	1220	1456.00	1365
850.00	794	1005.00	935	1156.00	1080	1308.75	1223	1459.75	1368
853.75	797	1006.00	940	1159.75	1083	1312.50	1226	1463.50	1371
857.00	800	1008.00	945	1163.50	1086	1316.00	1229	1467.00	1374
860.75	803	1011.75	948	1167.00	1089	1319.75	1232	1470.75	1377
864.50	806	1015.50	951	1170.75	1092	1323.00	1235	1474.00	1380
868.00	809	1019.00	954	1174.00	1095	1326.75	1238	1477.75	1383
871.75	812	1022.75	957	1175.00	1100	1330.50	1241	1481.50	1386
875.00	815	1026.00	960	1178.75	1103	1334.00	1244	1485.00	1389
878.75	818	1029.75	963	1182.50	1106	1337.75	1247	1488.75	1392
882.50	821	1033.50	966	1186.00	1109	1341.00	1250	1492.00	1395
886.00	824	1037.00	969	1189.75	1112	1342.00	1255	1495.75	1398
889.75	827	1040.75	972	1193.00	1115	1344.00	1260	1499.50	1401
893.00	830	1044.00	975	1196.75	1118	1347.75	1263	1503.00	1404
894.00	835	1047.75	978	1200.50	1121	1351.50	1266	1506.75	1407
896.00	840	1051.50	981	1204.00	1124	1355.00	1269	1510.00	1410
899.75	843	1055.00	984	1207.75	1127	1358.75	1272	1511.00	1415
903.50	846	1058.75	987	1211.00	1130	1362.00	1275	1514.75	1418
907.00	849	1062.00	990	1214.75	1133	1365.75	1278	1518.50	1421
910.75	852	1063.00	995	1218.50	1136	1369.50	1281	1522.00	1424
914.00	855	1066.75	998	1222.00	1139	1373.00	1284	1525.75	1427

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Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility	Deposit (Rs. Crore)	Resulting Initial Eligibility
1529.00	1430	1680.00	1575	1835.50	1716
1532.75	1433	1683.75	1578	1839.00	1719
1536.50	1436	1687.50	1581	1842.75	1722
1540.00	1439	1691.00	1584	1846.00	1725
1543.75	1442	1694.75	1587	1847.00	1730
1547.00	1445	1698.00	1590	1850.75	1733
1550.75	1448	1701.75	1593	1854.50	1736
1554.50	1451	1705.50	1596	1858.00	1739
1558.00	1454	1709.00	1599	1861.75	1742
1561.75	1457	1712.75	1602	1865.00	1745
1565.00	1460	1716.00	1605	1868.75	1748
1566.00	1465	1719.75	1608	1872.50	1751
1568.00	1470	1723.50	1611	1876.00	1754
1571.75	1473	1727.00	1614	1879.75	1757
1575.50	1476	1730.75	1617	1883.00	1760
1579.00	1479	1734.00	1620	1886.75	1763
1582.75	1482	1735.00	1625	1890.50	1766
1586.00	1485	1738.75	1628	1894.00	1769
1589.75	1488	1742.50	1631	1897.75	1772
1593.50	1491	1746.00	1634	1901.00	1775
1597.00	1494	1749.75	1637	1902.00	1780
1600.75	1497	1753.00	1640	1904.00	1785
1604.00	1500	1756.75	1643	1907.75	1788
1607.75	1503	1760.50	1646	1911.50	1791
1611.50	1506	1764.00	1649	1915.00	1794
1615.00	1509	1767.75	1652	1918.75	1797
1618.75	1512	1771.00	1655	1922.00	1800
1622.00	1515	1774.75	1658	1925.00	1803
1623.00	1520	1778.50	1661		
1626.75	1523	1782.00	1664		
1630.50	1526	1785.75	1667		
1634.00	1529	1789.00	1670		
1637.75	1532	1790.00	1675		
1641.00	1535	1792.00	1680		
1644.75	1538	1795.75	1683		
1648.50	1541	1799.50	1686		
1652.00	1544	1803.00	1689		
1655.75	1547	1806.75	1692		
1659.00	1550	1810.00	1695		
1662.75	1553	1813.75	1698		
1666.50	1556	1817.50	1701		
1670.00	1559	1821.00	1704		
1673.75	1562	1824.75	1707		
1677.00	1565	1828.00	1710		
1678.00	1570	1831.75	1713		

## **7 Application Instructions**

Applications must be submitted in hard copy, to be received between 10:00am (Indian Standard Time) on 15<sup>th</sup> October, 2012 and 5:00pm (Indian Standard Time) on 19<sup>th</sup> October, 2012, during office hours, at the following address:

Joint Wireless Adviser  
Department of Telecommunications  
Room no 604,  
Sanchar Bhawan,  
20 Ashoka Road,  
New Delhi – 110 001.

Applications received after the prescribed timeline shall be summarily rejected and returned unopened.

Six sets of the Application need to be submitted in separate sealed covers. The first set shall be marked as “ORIGINAL” and shall be duly signed in ink on each page by the Applicant. The other five photo copies of the original set shall be marked as “COPY No. \_\_\_”. Each page of the Application is to be numbered. In case of discrepancies between the copies and the Original, the Original shall prevail. However, the Government also reserves the right to summarily reject Applications in case of discrepancies between the copies and the Original. Name and address of the Bidder shall be displayed on each of the sealed covers. The Applicants should also submit scanned soft copy of the Original set on CD-ROM/ DVD in a single “pdf” document with pages in the same order as in the Original Application.

Applicants should note that, at its sole discretion, the Government may designate another time and/ or place at which Applications should be submitted. However, this power will only be used in exceptional circumstances. The alternative location will be publicised on the Auction website.

Applications should be marked:

### **“Application for Pre-Qualification – 1800MHz Auction/ 800MHz Auction”**

Applications should contain:

- A completed Application Form and all supporting information including the necessary undertakings;
- A non-refundable application fee of Rs. 100,000/- (Rupees one lakh only) payable to Pay and Accounts Officer (HQ), DoT, New Delhi, through a demand draft drawn on a Scheduled Commercial Bank payable at Delhi;
- Earnest Money Deposit (Bank Guarantee);
- Nomination of the Authorised Person(s) for future correspondence with the Bidder, along with a Power of Attorney empowering her/ him to take all decisions connected with the relevant Auctions on the Bidder’s behalf.



## **Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications**

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If at any later date, it is found that averments/ facts submitted by the Applicant in the Application based on which it has been considered eligible for any of the Auctions is incorrect or false, the Government reserves the right to disqualify the Bidder as well as take other penal action against such Bidder, including but not limited to, forfeiting its EMD as well as withdrawing any frequency allotment that may have been made to such a Bidder in the Auction.

Withdrawal of Applications shall be allowed by means of a written request to the “Department of Telecommunications” up to seven calendar days before the scheduled start of the Auctions.

## 8 Contact and Further Information

### 8.1 Contacts for further enquiries

Enquiries, if any, may be directed to the following e-mail address: “spectrumauction-dot@nic.in”.

The Government may or may not respond to any query, in part or full, at its sole discretion. In case it responds to any query, the response shall be made public. However, the identity of the person making the query will not be disclosed, to the extent possible.

Further contact details for support during the e-auction will be separately provided to the eligible Applicants.

### 8.2 Further information

Section 9.1 to 9.6 in the Annexures form a part of this document and contain the following:

Sections	Descriptions
9.1	Detailed definition of service areas
9.2	Individual responsibilities of each of the Advisers
9.3	Application checklist and formats
9.4	System requirements for accessing the EAS
9.5	Backup Procedures
9.6	Definitions and glossary of terms

### 8.3 Disclosure of further information

Following issue of this Notice, the Government has the discretion to publish further information and to amend the Notice from time to time either on its own or in response to any clarification requested. All such amendments will constitute a part of the Notice and shall be binding for compliance on them. The amendments, if any, will be notified on the DoT website.

## 9 Annexures

### 9.1 Detailed definition of Service Areas

Delineation of Service Areas for license purpose		
Sl. No.	Service Area	Areas covered
1.	West Bengal	Entire area falling within the Union Territory of Andaman & Nicobar Islands and within the State of West Bengal and the State of Sikkim excluding the areas covered by Kolkata Metro Service Area.
2	Andhra Pradesh	Entire area falling within the State of Andhra Pradesh.
3	Assam	Entire area falling within the State of Assam.
4	Bihar	Entire area falling within the re-organized State of Bihar and newly created State of Jharkhand pursuant to the Bihar Reorganization Act, 2000 (No.3 of 2000) dated 25th August, 2000.
5	Gujarat	Entire area falling within the State of Gujarat and Union Territory of Daman and Diu, Silvassa (Dadra & Nagar Haveli).
6	Haryana	Entire area falling within the State of Haryana except Panchkula town and the local areas served by Faridabad and Gurgaon telephone exchanges.
7	Himachal Pradesh	Entire area falling within the State of Himachal Pradesh.
8	Jammu & Kashmir	Entire area falling within the State of Jammu & Kashmir including the autonomous council of Ladakh.
9.	Karnataka	Entire area falling within the State of Karnataka.
10.	Kerala	Entire area falling within the State of Kerala and Union Territory of Lakshadweep and Minicoy.
11.	Madhya Pradesh	Entire area falling within the re-organized State of Madhya Pradesh as well as the newly created State of Chattisgarh pursuant to the Madhya Pradesh Re-organization Act, 2000 (No. 28 of 2000) dated 25 <sup>th</sup>

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		August, 2000.
12.	Maharashtra	Entire area falling within the State of Maharashtra and Union Territory of Goa, excluding areas covered by Mumbai Metro Service Area.
13.	North East	Entire area falling within the States of Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Manipur and Tripura.
14.	Orissa	Entire area falling within the State of Orissa.
15.	Punjab	Entire area falling within the State of Punjab and Union Territory of Chandigarh and Panchkula town of Haryana.
16.	Rajasthan	Entire area falling within the State of Rajasthan.
17.	Tamil Nadu	Entire area falling within the State of Tamil Nadu and Union Territory of Pondicherry including local areas served by Chennai Telephones, Maraimalai Nagar Export Promotion Zone (MPEZ), Minzur and Mahabalipuram Exchanges.
18.	Uttar Pradesh (West)	Entire area covered by Western Uttar Pradesh with the following as its boundary districts towards Eastern Uttar Pradesh: Pilibhit, Bareilly, Badaun, Etah, Mainpuri and Etawah. It will exclude the local telephone area of Ghaziabad and Noida. However, it will also include the newly created State of Uttaranchal pursuant to the Uttar Pradesh Reorganisation Act, 2000 (No.29 of 2000) dated 25 <sup>th</sup> August, 2000.
19.	Uttar Pradesh (East)	Entire area covered by Eastern Uttar Pradesh with the following as its boundary districts towards Western Uttar Pradesh: Shahjahanpur, Farrukhabad, Kanpur and Jalaun.
20.	Delhi	Local Areas served by Delhi, Ghaziabad, Faridabad, Noida, and Gurgaon Telephone Exchanges.
21.	Kolkata	Local Areas served by Calcutta Telephones.
22.	Mumbai	Local areas served by Mumbai, New Mumbai and Kalyan Telephone Exchanges.

**Note:**

- *Yenum, an area of Union Territory of Pondicherry is served under Andhra Pradesh Telecom Circle in East Godavari LDCA.*
- *The above service areas refer to Telecom Service Area Units and not the State geographical areas.*

## **9.2 Individual responsibilities of the Advisers**

The Auctioneer consists of M/s. Times Internet Limited and M/s. e-Procurement Technologies Limited. For the purposes of preparing this award, M/s. e-Procurement Technologies Limited is responsible.

For the purpose of executing the Auction, all confidential information contained within the Electronic Auction System will be accessible only to staff at M/s. e-Procurement Technologies Limited for the purposes of ensuring the smooth running of the Auction and providing technical support to Bidders.

### 9.3 Application Checklist

Sl. No	Particulars	Please Tick	Page number of Application Document
1.	Completed Application Form	<input type="checkbox"/>	
2.	Completed annexure to the application form	<input type="checkbox"/>	
3.	Certified copy of Certificate of Registration along with Articles of Association and Memorandum of Association. Company Secretary to certify the copy (in case the Applicant is not an Indian company, copies of the incorporation documents of the Company have to be certified by a Company Secretary registered in India)	<input type="checkbox"/>	
4.	Self certification from the Company Secretary of his/ her name and membership number	<input type="checkbox"/>	
5.	Certificate from Company Secretary certifying details of Promoters/ Partners/ Shareholders in the Company and breakdown of the equity of the Company	<input type="checkbox"/>	
6.	Certificate from Company Secretary certifying the paid up Capital	<input type="checkbox"/>	
7.	Certificate from Company Secretary certifying the net worth	<input type="checkbox"/>	
8.	Certified copy of approval of Government of India for terms of Foreign Collaboration or copy of application submitted to SIA/ Government in this regard with proof of Submission (if applicable)  <i>(Copy to be certified by the Company Secretary)</i>	<input type="checkbox"/>	
9.	Bank Guarantee from a Scheduled Bank (for the Earnest Money Deposit)	<input type="checkbox"/>	
10.	Power of Attorney by Resolution of Board of Directors that the person signing the Application is an authorized signatory  <i>(Copy to be certified by Company Secretary and duly stamped and notarized)</i>	<input type="checkbox"/>	
11.	Non-refundable application fee of Rs. 100,000/- for each auction payable to Pay and Accounts Officer (HQ), DoT, New Delhi.	<input type="checkbox"/>	



**9.3.1 Application Format for the 1800MHz Auction/ 800MHz Auction**

*(Separate applications to be made for 1800MHz Auction and 800MHz Auction on the letterhead of the Applicant Company)*

APPLICATION FOR PARTICIPATING IN  
1800MHz AUCTION/ 800MHz AUCTION

**General instructions:**

- (a) All the pages of the form/ supporting documents must be separately signed along with the rubber stamp by the Authorised Signatory or Company Secretary, as required. The name and designation of the signatory and the stamp of the relevant company must also appear wherever documents have been signed.
- (b) In case the Applicant has to furnish no information against any of the items below, either 'Nil', 'No' or 'Not applicable', as the case may be, should be mentioned. If in the information supplied, against any item, a dash is marked or is left blank, it shall be treated as incomplete and the Application may not be considered for further processing.
- (c) All undertakings to be provided on the letterhead of the relevant Company.

1. Name of Applicant Company:

*(Note: Attach certified copy of Certificate of Registration along with Articles of Association and Memorandum of Association. Company Secretary or authorised signatory is required to certify the copy.)*

2. Complete postal address with Telephone/ Fax numbers/ e-mail address

- i) Corporate Office
- ii) Registered Office

3. Address for correspondence with Telephone/ Fax numbers/ e-mail address. Please provide at least one fixed and one mobile telephone number on which the Authorized Person can be contacted during the Auction. It is the Applicant's responsibility to ensure that ALL these means of communications are working and being monitored regularly from the date of Application to the conclusion of the Auctions:

- a) A complete Postal Address
- b) Fixed telephone number
- c) Mobile telephone number (Note: the mobile telephone specified should be capable of receiving SMS)



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d) E-mail address

4. Name of the Company Secretary certifying the documents along with his/ her Membership number

*(Note: Attach self certification from the Company Secretary. In case there are more than one Company Secretary certifying documents, the details or self-certification of all these Company Secretaries to be submitted.)*

- (a) Names and passport numbers of the authorised signatories of the different companies that are signing the Application or any attachment to it.

5. Name of Authorised Person, designation, address and Telephone/ Fax numbers/ email address and her/ his specimen signature counter-signed by the authorized signatory.

*(Note: Attach Power of Attorney empowering him/ her to take all decisions connected with the Auction, on the Bidder’s behalf including but not limited to, the authority to put in Bids in respect of any of the service areas and to commit payment of the necessary amount if the Bidder is granted spectrum in any service area.)*

*(Note: Applicants can authorise one more person, who would act as the Alternate Authorised Person in case of non-availability of the primary Authorised person. In case of any duplication of submissions made by the Applicant, the submission signed by the primary Authorised Person would be considered as final and binding)*

- 6.

- a) Details of Promoters/ Partners/ Shareholders in the Company:

*(Note: the Promoters are required to be separately indicated.)*

<b>S. No</b>	<b>Name of Promoter/ Partner/ Shareholder</b>	<b>Indian/ Foreign</b>	<b>Equity Percentage</b>	<b>Net Worth</b>	<b>Paid-up capital</b>

*(Note: 1. Complete break-up of 100% of equity must be given. Individual equity holding up to 5% of the total equity can be clubbed but Indian and Foreign equity must be separate. 2. Details to be provided as on the date of application. 3. Certificate from Company Secretary in respect of above details.f)*

*(Note: Copy to be certified by the Company Secretary or authorised signatory)*

- b) Equity Details

Indian \_\_\_\_\_

Foreign \_\_\_\_\_

**Total** \_\_\_\_\_

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7. List of UAS/ CMTS licence(s) held by the Applicant and its Associated Licensees, if any. Please mention operative licences (i.e. licences which are currently in force) only.

Type of the Licence (UAS/ CMTS)	Service area	Name of the Company

*(Note: Attach Undertaking that in case the Applicant is declared a Successful Bidder in any service area where it (along with its Associated Licensees) does not currently hold a UAS/ CMTS licence, it will acquire a Unified Licence(Access Services).)*

8. Ownership details of each of the Associated Licensees establishing the shareholding of the Common Parent in each of the Associated Licensees.

*(Note: In case of step-down subsidiaries, the shareholding details at each level have to be submitted, in the same format as in point 6(a) (above), clearly establishing the direct/ indirect shareholding of the Common Parent in the Associated Licensees.)*

*(Note: In case any of the Associated Licensees is a listed Company, attach the stock exchange filing establishing the Common Parent as a promoter of the Company.)*

*(Note: Attach Certificates from Company Secretary or authorised signatory of each Company whose shareholding is presented.)*

9. List of telecom service licence(s) held by the Applicant and its allies/ sister concerns/partners, if any, and their present status:

Type of the Licence (Basic Cellular/ UASL/ Paging/ NLD/ ILD/ ISP etc) and service area	Name of the Company	Status whether operative/ surrendered/ Terminated

*(Type of the Licence means Basic/ Cellular/ UASL/ Paging/ NLD/ ILD/ ISP licences etc. Details of all the Licences held by Allies/ sister concerns/ Partners or legal entities with 10% or more common equities must be shown separately.)*

10. Paid up capital of the Company (certificate from Company Secretary or authorized signatory certifying the paid up capital to be provided.)

*(Note: Paid up capital to be provided as on the date of application.)*

11. Certified copy of approval of Government of India for terms of Foreign Collaboration or copy of application submitted to SIA/ Government in this regard with proof of Submission (if applicable).

*(Note: Copy to be certified by the Company Secretary or authorised signatory)*

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12. Number of Initial Eligibility points applied for and details of corresponding Bank Guarantee for the Earnest Money Deposit.

*(Note: Attach Bank Guarantee)*

13. Power of Attorney by Resolution of Board of Directors that the person signing the Application is an authorized signatory.

*(Note: Copy to be certified by Company Secretary and duly stamped and notarized. In case, the Applicant is not an Indian company, and does not have a Company Secretary, Power of Attorney may be certified by the legal counsel of the Company.)*

*(Note: Power of Attorney is also required for the authorised signatories of any other company that is required to sign any Attachment to the Application.)*

### **Certificates/ undertaking:**

- A. I hereby certify that the Applicant has carefully read the Notice and undertakes to fully comply with the terms and conditions of the Notice.
- B. I hereby certify that the Applicant is legally capable of both bidding for and satisfying its obligations under the terms and conditions for award of the spectrum and the UASL/ CMTS/ Unified Licence (Access Services) (as applicable), including but without limitation to any approvals, consents, permissions and board approvals from its holding company(ies) under any laws or rules and regulations issued by any governmental or regulatory or supervisory body in any competent jurisdiction.
- C. I hereby certify that neither the Applicant nor any of its Associated Licensees are the subject of criminal or civil proceedings that could be expected to adversely affect its business or its ability to bid in the Auction.
- D. I hereby certify that the Applicant will accept the changes required to be made to the existing licences held by it or any of its Associated Licensees (if applicable) as a precondition to or as a consequence of the allotment of spectrum.
- E. I hereby certify that the Applicant understands that this Application, if found incomplete in any respect and/ or if found with conditional compliance or not accompanied with the Earnest Money Deposit, shall be summarily rejected.
- F. I hereby certify that the Applicant understands that the processing fee is non-refundable irrespective of whether or not the spectrum is granted to it.
- G. I hereby certify that the Applicant has read and understood the FIPB guidelines for investment in telecom services in India, and will comply with the same before commencing operations.
- H. I hereby certify that the Applicant will intimate the DoT promptly in case of any change in the information submitted as part of the Application.

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- I. I hereby certify that the Applicant will comply, and ensure that all of its Insiders and Associated Licensees will comply, with the terms and conditions of the Notice relating to confidentiality.
- J. I hereby certify that the Applicant understands that all matters relating to the application or spectrum if granted to it will be subject to jurisdiction of courts/ Tribunal(s) in Delhi/ New Delhi only.
- K. I hereby certify that the Applicant understands that if at any time, any averments made or information furnished as part of this application is found incorrect, then its application and the spectrum if awarded on the basis of such application shall be cancelled.
- L. I certify that the information provided in this Application (including the attachments) is true, accurate and complete to the best of my knowledge.

Date: \_\_\_\_\_ Signature and name of the Authorised  
Signatory

Place: \_\_\_\_\_

(Company's Seal)

### Note:

- i. There should be a Power of Attorney / Board Resolution in favour of each of the authorised signatories authorizing the concerned person to sign the Application including the relevant undertakings.
- ii. Signature of the Authorised Person should be counter-signed by any other authorised signatory, in case the Authorised Person is also an authorised signatory for the purpose of the Application.
- iii. Only a single application can be submitted by the Group Bidding Entity in respect of all the eligible companies within a Group.
- iv. Company Secretary of the relevant company should sign and certify the forms where required.
- v. There is no specific format for Power of Attorney, but it should be on stamp paper of the state in which the office is situated.
- vi. Certificate of paid-up capital and certificate of net worth – please indicate on the letterhead of the Company.
- vii. Directors and Authorised Representatives of the Applicant Company will also be authorized signatories with respect to the application. There should be a Power of Attorney / Board Resolution in favour of each of the authorised signatories authorizing the concerned person to sign the Application including the relevant undertakings.
- viii. Applicants are required to inform the Government promptly in case of any change in the information submitted by them as part of their Application.

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

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### 9.3.1.1 Annexure to the Application (Service Area-wise information where the Applicant is an Existing Licensee / New Entrant)

*(Please refer to Section 3.2 (Associated Eligibility))*

*(Separate annexes to be made for 1800MHz Auction and 800MHz Auction on the letterhead of the Applicant Company)*

Sr. No.	Service Area	Existing Licensee	New Entrant	Details of Telecom Service Licenses held by the Applicant in the Service Area* UAS/ CMTS/ ISP
1	Delhi	<input type="checkbox"/> Yes  <input type="checkbox"/> No	<input type="checkbox"/> Yes  <input type="checkbox"/> No	
2	Mumbai	<input type="checkbox"/> Yes  <input type="checkbox"/> No	<input type="checkbox"/> Yes  <input type="checkbox"/> No	
3	Kolkata	<input type="checkbox"/> Yes  <input type="checkbox"/> No	<input type="checkbox"/> Yes  <input type="checkbox"/> No	
4	Maharashtra	<input type="checkbox"/> Yes  <input type="checkbox"/> No	<input type="checkbox"/> Yes  <input type="checkbox"/> No	
5	Gujarat	<input type="checkbox"/> Yes  <input type="checkbox"/> No	<input type="checkbox"/> Yes  <input type="checkbox"/> No	
6	Andhra Pradesh	<input type="checkbox"/> Yes  <input type="checkbox"/> No	<input type="checkbox"/> Yes  <input type="checkbox"/> No	

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7	Karnataka	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
8	Tamil Nadu	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
9	Kerala	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
10	Punjab	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
11	Haryana	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
12	Uttar Pradesh (West)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
13	Uttar Pradesh (East)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
14	Rajasthan	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
15	Madhya Pradesh	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	

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16	West Bengal	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
17	Himachal Pradesh	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
18	Bihar	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
19	Orissa	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
20	Assam	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
21	North East	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
22	Jammu & Kashmir	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	

*	<i>Details of all the License held by Allies / Sister concern / Partners or legal entities with 10% or more common equities must be shown separately.</i>
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**9.3.2 Format for Earnest Money Deposit**

*(in the form of a Bank Guarantee from a Scheduled Bank)*

To

The President of India,

New Delhi.

1. Whereas **<Full name of the Applicant>** (hereinafter called “**the Proposer**”) desires to submit the proposal for participating in the Auction for spectrum in the **<1800MHz band / 800MHz band>** in compliance to DoT NIA No. 3-16/2012-Fin/Auction.

Know all men by these presents that we **<Name of the Bank>** (hereinafter called “**the Bank**”) are bound unto the President of India (hereinafter referred to as “the Authority”), in the sum of **<Amount in figures>** (**<Amount in words>**) for which payment will and truly be made to the said Authority, the Bank binds itself, its successors and assignees by these presents.

2. The conditions of this obligation are:
  - (i) If the Proposer having been notified of the acceptance of its proposal by the DoT, during the period of the proposal’s validity:
    - (a) fails or refuses to execute the contract form, if required; or
    - (b) fails to deposit the Successful Bid Amount in the stipulated timeframe as per the Notice;
  - (ii) The Proposer misrepresents facts in its application;
  - (iii) The Proposer violates any of the Auction Rules or otherwise disrupts the Auction process;
  - (iv) The Proposer does not bid for even 1 service area in the first Clock Round of the relevant Auctions;
  - (v) The Proposer defaults on its bid;
  - (vi) The Proposer withdraws its proposal during the period of its validity specified in the Notice.

We undertake to pay to the Authority, the above amount upon demand, without any demur and without the Authority having to substantiate its demand.

3. This guarantee will remain in force up to 30th April, 2013, further extendible by another six months on your request and any demand in respect thereof should reach the Bank not later than the date up to which this Bank Guarantee is valid.
4. Notwithstanding anything contained above, our liability, under the Guarantee shall be restricted to **<Amount in figures>** and our Guarantee shall remain in force until 31<sup>st</sup> October, 2013 from the date hereof. Unless a demand or claim under this



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Guarantee is made on us in writing within this date i.e. 31<sup>st</sup> October, 2013, all your rights under the Guarantee shall be forfeited and we shall be released and discharged from all liabilities there under.

Dated \_\_ day <month>, 2012

<Name of Bank>

Signature

Witness:

1. \_\_\_\_\_
2. \_\_\_\_\_

**9.3.3 Format for an Undertaking for existing licensees in respect of each Service Area where neither the Applicant nor any of its Associated Licensees has an existing UAS/ CMTS licence**

(Separate undertakings on the letterhead of the concerned Company required for 1800MHz Auction and 800MHz Auction in respect of each service area where neither the Applicant nor any of its Associated Licensees has an existing UAS/ CMTS licence)

**UNDERTAKING TO OBTAIN UNIFIED LICENSE (ACCESS SERVICES)**

We, \_\_\_\_\_ and \_\_, the undersigned, as Directors and Authorised Representatives of \_\_\_\_\_ <Name of the Applicant> (“Applicant”) hereby confirm, undertake, acknowledge and certify the following:

- (a) The Applicant desires to submit a proposal for participating in the auction for spectrum in 1800MHz / 800MHz band in compliance to DoT NIA No. 3-16/2012-Fin./Auction;
- (b) That neither the Applicant, nor any entity sharing more than 10% common ownership with the Applicant, is a UAS / CMTS licensee in <Name of the telecom service area> (as defined in the UAS guidelines) (“Specified Service Area”);
- (c) That in case the Applicant is declared a Successful Bidder in the Specified Service Area, it shall apply for a Unified Licence (Access Services) in the Specified Service Area either directly or through one of its Associated Licensees or through a wholly-owned subsidiary of the Applicant (“Nominated Unified License Applicant”);
- (d) That the Nominated Applicant will satisfy all the conditions required to obtain a Unified Licence (Access Services) as per the license guidelines;
- (e) That in case the Unified Licence (Access Services) application of the Nominated License Applicant is rejected, the Government shall have the right to revoke the spectrum;
- (f) That in case an application for a Unified Licence (Access Services) by the Nominated License Applicant has not been made within seven (7) days of the Applicant being declared a Successful Bidder, the Government shall have the right to curtail / revoke the spectrum;
- (g) That in case the Applicant and the Nominated License Applicant are different entities, the Applicant and the Nominated License Applicant shall be jointly and severally responsible for the performance of the bid obligations and that the Applicant shall obtain an undertaking to this effect (“Adherence Undertaking”) from the Nominated License Applicant before the Nominated License Applicant submits the Unified Licence (Access Services) application along with a certified copy of the Adherence Undertaking.

Date: \_\_\_\_\_ Signature and Name of the Authorised Signatory

Place \_\_\_\_\_ Company’s Seal

**9.3.4 Format for an Undertaking to obtain a Unified Licence (Access Services) for “New Entrants” in respect of each service area where neither the Applicant nor any of its Associated Licensees has a valid UAS/ CMTS licence**

(Separate undertakings on the letterhead of the concerned Company required for 1800MHz Auction and 800MHz Auction )

**UNDERTAKING TO OBTAIN UNIFIED LICENCE (ACCESS SERVICES)**

We, \_\_\_\_\_ and \_\_, the undersigned, as Directors and Authorised Representatives of \_\_\_\_\_ <Name of the Applicant> (“Applicant”) hereby confirm, undertake, acknowledge and certify the following:

- (a) The Applicant desires to submit a proposal for participating in the auction for spectrum in 1800MHz / 800MHz band in compliance to DoT NIA No. 3-16/2012-Fin./Auction.
- (b) That neither the Applicant, nor any entity sharing more than 10% common ownership with the Applicant, is a UAS/ CMTS licensee in <Name of the telecom service area> (as defined in the UAS guidelines) (“Specified Service Area”);
- (c) That in case the Applicant is declared a Successful Bidder in the Specified Service Area, it shall apply for a Unified Licence (Access Services) in the Specified Service Area either directly or through a company nominated by the Applicant where the Applicant has a minimum of at least 26% (“New Entrant Nominated Unified License Applicant”);
- (d) That the New Entrant Nominated Applicant will satisfy all the conditions required to obtain a Unified Licence (Access Services) as per the license guidelines;
- (e) That in case the Unified Licence (Access Services) application of the New Entrant Nominated License Applicant is rejected, the Government shall have the right to revoke the spectrum;
- (f) That in case an application for a Unified Licence (Access Services) by the New Entrant Nominated License Applicant has not been made within seven (7) days of the Applicant being declared a Successful Bidder, the Government shall have the right to curtail / revoke the spectrum;
- (g) That in case the Applicant and the New Entrant Nominated License Applicant are different entities, the Applicant and the New Entrant Nominated License Applicant shall be jointly and severally responsible for the performance of the bid obligations and that the Applicant shall obtain an undertaking to this effect (“Adherence Undertaking”) from the Nominated License Applicant before the New Entrant Nominated License Applicant submits the Unified Licence (Access Services) application along with a certified copy of the Adherence Undertaking.

Date: \_\_\_\_\_ Signature and Name of the Authorised Signatory

Place \_\_\_\_\_ Company’s Seal

**9.3.5 Format for an Undertaking to nominate a Group Bidding Entity for the 1800MHz Auction/ 800MHz Auction**

*(For Associated Licensees bidding through a Group Bidding Entity. Separate undertakings required for 1800MHz Auction and 800MHz Auction)*

**JOINT UNDERTAKING TO NOMINATE GROUP BIDDING ENTITY**

We, \_\_\_\_\_ and \_\_\_\_\_, the undersigned, as Directors and Authorised Representatives of \_\_\_\_\_ <Name of the Associated Licensee> (“Nominator”)

and,

We, \_\_\_\_\_ and \_\_\_\_\_, the undersigned, as Directors and Authorised Representatives of \_\_\_\_\_ <Name of the Group Bidding Entity> (“Group Bidding Entity”)

hereby confirm, undertake, acknowledge and certify the following:

- (a) That the Nominator has authorised the Group Bidding Entity to bid for Spectrum Auction in the 1800MHz/ 800MHz band in compliance with DoT NIA No. 3-16/2012-Fin/Auction on its behalf in the following service areas:
  1. \_\_\_\_\_
  2. \_\_\_\_\_
- (b) That the Nominator is a UAS/ CMTS licensee in all the service areas mentioned in point (a) above;
- (c) That the Nominator has read and understood the Notice for the Auctions and will abide with all applicable conditions including, but not limited to, payment of bid amount, spectrum usage charges and compliance with rollout obligations;
- (d) That in case the Group Bidding Entity is declared a Successful Bidder in any of the service areas mentioned in point (a), the Nominator shall accept the allotment / assignment to itself of spectrum won by the Group Bidding Entity in that service area by the Government;
- (e) That the Nominator and the Group Bidding Entity shall be jointly and severally liable for the performance of the bid obligations;
- (f) That the Nominator agrees to make the necessary changes to its existing UAS/ CMTS licence (as required by the conditions specified).

**Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications**

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Signed:

For <name of the Nominator Company>

Authorised signature

(name and position)  
affixed

Authorised signature

(name and position) Company seal

Date: \_\_\_\_\_

Signed:

For <name of the Group Bidding Entity>

Authorised signature

(name and position)  
affixed

Authorised signature

(name and position) Company seal

Date: \_\_\_\_\_

**9.3.6 Format for Ownership Compliance Certificate for the Spectrum Auction in 1800MHz band**

*(for all Applicants on the letterhead of the concerned Company)*

We, \_\_\_ and \_\_\_, the undersigned, as Directors and Authorised Representatives of \_\_\_\_\_ <Name of the Applicant> (“Applicant”) hereby confirm, undertake, acknowledge and certify the following:

- (a) That we have carefully gone through the list of Applicants (“Provisional Bidders”) for the spectrum Auction in 1800MHz band and their Associated Licensees and their ownership details put up on the DoT website;
- (b) That we have made due enquires to the extent reasonably possible of any entity:
  - who holds a direct or indirect material interest in the Applicant or any of its Associated Licensees; and
  - in whom the Applicant or any of its Associated Licensees hold a direct or indirect material interest;
- (c) That no common entity holds more than 10% stake in the Applicant (or any of its Associated Licensees) and any of the other Provisional Bidders (or any of their respective Associated Licensees);
- (d) That the UAS/ CMTS/ Unified License (Access Services) licence is subject to the condition that:

*“No single company/ legal person, either directly or through its associates, shall have substantial equity holding in more than one licensee Company in the same service area for the Access Services namely; Basic Cellular and Unified Access Service. ‘Substantial equity’ herein will mean ‘an equity of 10% or more’. A promoter company/ Legal person cannot have stakes in more than one licensee company for the same service area.”*
- (e) That the Applicant will promptly intimate the Government if any part of this undertaking were to undergo a material change.

Signed:

Authorised Signatory

(Name & Position

Company Seal & Date

Authorised Signatory

(Name & Position

**9.3.7 Format for Ownership Compliance Certificate for the Spectrum Auction in 800MHz band**

*(for all Applicants on the letterhead of the concerned Company)*

We, and \_\_\_\_\_, the undersigned, as Directors and Authorised Representatives of \_\_\_\_\_ <Name of the Applicant> (“Applicant”) hereby confirm, undertake, acknowledge and certify the following:

- (a) That we have carefully gone through the list of Applicants (“Provisional Bidders”) for the spectrum Auction in 800MHz band and their Associated Licensees and their ownership details put up on the DoT website;
- (b) That we have made due enquires to the extent reasonably possible of any entity:
  - who holds a direct or indirect material interest in the Applicant or any of its Associated Licensees; and
  - in whom the Applicant or any of its Associated Licensees hold a direct or indirect material interest;
- (c) That no common entity holds more than 10% stake in the Applicant (or any of its Associated Licensees) and any of the other Provisional Bidders (or any of their respective Associated Licensees);
- (d) That the UAS/ CMTS licence is subject to the condition that:

*“No single company/ legal person, either directly or through its associates, shall have substantial equity holding in more than one licensee Company in the same service area for the Access Services namely; Basic Cellular and Unified Access Service. ‘Substantial equity’ herein will mean ‘an equity of 10% or more’. A promoter company/ Legal person cannot have stakes in more than one licensee company for the same service area.”*
- (e) That the Applicant will promptly intimate the Government if any part of this undertaking were to undergo a material change.

Signed:

Authorised Signatory

(Name & Position

Company Seal & Date

Authorised Signatory

(Name & Position

## 9.4 System Requirements for accessing the EAS

Prior to the Auction, documentation will be issued describing how to use the EAS (“the EAS Manual”). This Annex is provided to assist bidders in preparing for the Auction. In the event of any conflict between the EAS Manual and this Annex, the EAS Manual should be taken to be definitive.

The Auction will be run on an electronic auction system (EAS) over the public Internet using encryption. Bidders can access the system using the standard web browsing software: IE 9.x or Mozilla 13.x or Google Chrome 20.x. The only additional requirements are (i) to install the digital certificates needed for authentication and data encryption and (ii) to have a recent version of Java installed.

The bidders will have to procure Class-III Digital Signature Certificate(s) (DSC) issued by any of the valid Certifying Authority (approved by Controller of Certifying Authorities) in India which is mandatory for accessing the EAS. The details of the License CAs can be viewed on [www.cca.gov.in](http://www.cca.gov.in). It would be the respective bidder’s responsibility to acquire such DSC(s) in the name of their authorized signatory for participation in the e-auction. The respective bidders also need to ensure that they acquire the DSC(s) before the mock auction which will be conducted as per the timelines set by the Government.

### 9.4.1 Operating System and Software

The access to EAS is through the operating systems and Internet browsers complemented with Java. However, the digital signature certificates used for user authentication in the EAS are 2048 bit keys. These keys are longer than those in current common usage for e-commerce applications and provide a higher level of security. It is important that Bidders use an up-to-date operating system and browser, and the latest version of Java. The EAS supports Windows XP (Service Pack 3), Windows Vista (Service Pack 3), and Windows 7 (Service Pack 1) operating system. The browsers supported are IE 9.x or Mozilla 13.x or Google Chrome 20.x. Obsolete versions of Internet Explorer may not support longer keys.

### 9.4.2 Java

The EAS uses the Java Application/Applet for Digital Signature generation, verification, data encryption and decryption in Mozilla Firefox and Chrome browsers. Under Windows, the browsers will usually, but not always, have Java enabled by default. However, users are advised to check their respective browsers to ensure that Java plug-in is enabled. **It is important that Bidders have an up to-date version of Java installed on any computer to be used for bidding in the Auctions.**

Users who want to use Firefox and Chrome browsers will have to update Java Cryptography Extension (JCE) to strengthen the security from the default key size to unlimited key size. If this is not done prior to auction start date and time, user may face problem in login and bid submission.



EAS checks and updates the JCE policy from default key size to unlimited key size but if user doesn't have administrator rights then user will have to update JCE policy by himself. To update the JCE policy, user needs to follow the instructions. Detailed instructions on the same can be found from the website, <https://dot.abcpocure.com/UpdateJCE.jsp>.

If Bidders are using Windows, Bidders can find out if they have Java installed on their respective computer using Sun Microsystems' Java installation verification tool which can be found at <http://www.java.com/en/download/installed.jsp>.

In these cases, Bidders may need to refer to their IT department or other suitably qualified persons to ensure that their PC has a Java installed and enabled on their browser, and that their Internet browser is correctly set up. Sun Microsystems' Java website at <http://java.com> may provide helpful information on how to do this. Please note that you may need appropriate administrative rights in order to install Java and digital certificates on the client computer.

A detailed manual and troubleshooting guide will be provided to qualified Bidders prior to the Auction. A mock auction will also be run to allow Bidders to test that they can access the EAS using the same authentication tokens as the Auction itself and to resolve any technical problems.

Bidders should ensure that their bidding computer is free from viruses, especially key-logging programs. It is the responsibility of bidders to ensure that bidding computer is functioning reliably and that appropriate computer security measures are in force. Once the digital certificate that authenticates the bidder has been installed on the bidding computer, the bidder should ensure that the bidding computer is kept secure and not accessible to unauthorised personnel.

### **9.4.3 Tool bar/ Add Ons/ Pop up blocker**

Bidders should ensure that there is no software installed on the computers that might interfere with the normal operation of their Internet browser. The bidders have to ensure that they do not use any pop-up blockers, such as those provided by Internet Explorer and complementary software, for example the Google tool bar. This might, depending on Bidders' settings, prevent the access of the EAS application and/ or some of the EAS windows from opening.

### **9.4.4 Power Management Settings**

To ensure that Bidders do not face any delay or difficulty in smooth access during the Auction, it is recommended that Bidders:

- Turn off any power management features on their computer such as automatic hibernation or suspension; and
- Disable any screensavers.

If a Bidder's computer hibernates or suspends automatically, it will need to go through the login procedures again when the computer is awakened. This will cause some delay in returning to the Auction system.

### **9.4.5 Access of Other Software / Website during Auction**

It is recommended that Bidders do not open other web pages when they are accessing the EAS. Viewing other web pages (especially complex ones) at the same time as viewing EAS pages increases the risk of possible problems with their browser. Therefore, it is recommended that ideally Bidders should dedicate one computer to running the EAS, and do not access other web pages or run other Applications on this computer while using the EAS. This will help to minimise the risk of crashes or other potential problems.

### **9.4.6 Internet Connection**

In order to use the EAS, Bidders need an Internet connection. We recommend that Bidders use a reliable broadband Internet connection with a download bandwidth of 512kbit/s or higher. Wireless connections may be adequate, but it is important that the latency of network connections to the EAS does not exceed 20-30 seconds to ensure reliable access. In the event of a temporary loss of contact between the Bidder and the EAS, the EAS will automatically log out the Bidder for security reasons, who will then need to go back through login procedures.

It is recommended that Bidders have a back-up computer and backup Internet connection that can be used in the case that either their primary computer or Internet connection fails.

### **9.4.7 Display**

Bidders are recommended to use a display with a screen resolution of 1024x768 (or higher). Bidders can use a lower screen resolution, but Bidders may find that some tables are more difficult to view.

## **9.5 Backup Procedures**

### **9.5.1 Auction backup facilities**

In the event of the main Auction server failing, the Auction will be resumed using backup facilities. The normal process for this would be the following:

- The Auction Administrator will advise Bidders directly of the need to switch to the back-up system and the time from which the back-up facility should be expected to be online and available to Bidders.
- If the primary Auction server is still available, log out normally. Otherwise, quit your Internet browser.
- Once back-up facilities are online, restart your Internet browser and enter the address of the back-up /DR server. Auction Administrator will provide this address

separately to you. The Auction team will contact you to check that you have successfully switched to the back-up facility.

- In the unlikely event of data loss or corruption affecting previous Rounds or failure of the back-up facility, there may be variation of these procedures at the sole discretion of the DoT and Auction Administrator. This might include resuming the Auction from a previous Round (re-run of a clock round), if required.

### 9.5.2 Bidder Technical Problems

Bidders experiencing technical problems while accessing the EAS either before or during a Round should contact the Auction Administrator as soon as possible. Bidders will be provided with a telephone number and an email address to contact the Auction Administrator. In the event of problems accessing the EAS, Bidders should not rely on email to communicate with the Auction Administrator.

In exceptional circumstances, such as technical failure affecting multiple Bidders, the Auction Administrator may:

- Re-schedule the start of a Clock Round whose starting time has been announced provided that the Clock Round has not yet started.
- Re-schedule the finishing time of a Clock Round in progress.
- Cancel a Clock Round in progress and re-run it.
- Refund the extension budget used in the particular Clock Round of one or more Bidders.

The Auction Administrator will not refund any used Extension Budget to any Bidders unless there is compelling evidence of technical failures affecting multiple bidders.

Telephone numbers and email addresses provided by Bidders as part of their application to bid in an Auction may be used by the Auction Administrator to contact any Bidder in the event that the Auction Administrator observes such a Bidder is having difficulties in accessing the EAS.

Any telephone calls between the Auction Administrator and a Bidder may be subject to password verification. The Auction Administrator may ask the Bidder for a password from a list of one-time passwords provided to the Bidder prior to the Auction.

Permission to submit Bids through means other than the EAS will not be granted.

## 9.6 Definitions and Glossary of Terms

1800MHz	Radio spectrum frequencies in the 1800 Megahertz band
800MHz	Radio spectrum frequencies in the 800 Megahertz band
1800MHz Auction	Auction process for allocating spectrum blocks in the 1800 Megahertz band as per provisions of the Notice
800MHz Auction	Auction process for allocating spectrum blocks in the 800 Megahertz band as per provisions of the Notice
AAR	Auction Activity Requirement
Activity Rules	Shall have the meaning as described in Sections 5.3.4 and 6.3.4 for the Spectrum Auction in 1800MHz and 800MHz bands respectively
Aggregate Demand	The total number of Bids for the Blocks in the Service Area at a value equal to the Clock Round price in the last completed Clock Round.
AGR	Adjusted Gross Revenue
Applicant	Person making an Application
Application	Application for participating in Spectrum Auction in 1800MHz or 800MHz band or both, to pre-qualify for the Spectrum Auction in 1800MHz or 800MHz band or both respectively.
Application Form	Format for submitting the Application
Associated Licenses	Existing UAS/ CMTS licensees that have a Common Parent.
Auctioneer	M/s. Times Internet Limited and M/s. e-Procurement Technologies Limited, in their capacity as advisers to the Government on the Auctions.
Auction Administrator	M/s. e-Procurement Technologies Limited, which will be responsible for the administration of the e-auction.
Auctions	Auction of the Spectrum in 1800MHz and 800MHz Bands.

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Activity Requirement	The percentage of the Bidder’s Eligibility Points (rounded up to the nearest whole number) that determines the level of activity that a Bidder must meet in that Clock Round in order to maintain its eligibility in the following Clock Round. This threshold is referred to as the Bidder’s Activity Requirement in that Clock Round.
Auction Rules	Rules governing the conduct of the Auctions.
Authorised Person	Nominated authorised person for future correspondence with the Applicant having a Power of Attorney from the Applicant empowering him / her to take all decisions connected with the relevant Auctions on behalf of the Applicant. Materials essential for bidding in the Auction(s) will be provided to the Authorised Person using contact details provided in a Bidder’s Application.
Bank Guarantee	A guarantee from a Scheduled Bank, in the prescribed format.
BAR	Bidding Activity Requirement
BHQ	Block Headquarters
Bid	Bidder’s statement in each Clock Round of the Clock Stage (in the form of a “Yes / No” choice and for the Number of Blocks) offering to purchase spectrum usage rights for a block in the specified service area at the current Clock Round price, in accordance with the terms and conditions.
Bidder	Pre-qualified Applicants that do not withdraw their Application before the withdrawal deadline.
Bidder Participation Notice	Notice issued to pre-qualified Bidders that shall include each pre-qualified Bidder’s Earnest Money Deposit received, Initial Eligibility points and an EAS Manual.
CCA	Controller of Certifying Authorities.  Governing body under the Department of Electronics and Information Technology, Ministry

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

	of Communications & Information Technology authorized to issue license to the Certifying Authorities for issuance of Digital Signature Certificates.
CA	Certifying Authority. Authorised by CCA for issuance of Digital Signature Certificate.
CDMA	Code Division Multiple Access
Clock Round	Individual rounds of the Clock Stage as described in the Auction Rules.
Clock Stage	The first stage of the relevant Auctions as described in the Auction Rules.
CMTS	Cellular Mobile Telephone Service
Confidential Information	Any information which, if known to other Bidders, would be likely to affect the price that the other Bidders would be prepared to bid in any of the Auctions. Such information would include (but not necessarily be limited to) the Bidder's business case, auction strategy and the highest price it is willing to bid for spectrum in any service area.
DHQ	District Headquarters
DoT	Department of Telecommunications, Ministry of Communications & Information Technology, Government of India.
DSC	Digital Signature Certificate
EAS	Electronic Auction System.
EAS Manual	A manual explaining how to use the EAS that shall be provided to pre-qualified Bidders.
Effective Date	The date of issue of Lol for allotment of spectrum
EMD	Earnest Money Deposit. The earnest money (in the form of a Bank Guarantee from a Scheduled Bank) to be submitted along with the Application.
Eligibility Points	Number of points associated with a Block per Service Area based on the Reserve Price of

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

	spectrum in that particular Service Area.
Excess Demand	The total number of Blocks for which bids have been received in a Service Area at a Clock Round price equal to the Clock Round price set in the last completed Clock Round minus the number of blocks available in that service area.
Existing Licensee	Those Bidders defined as "Existing Licensee" bidders in Section 3.2.
Extension Budget	The cumulative maximum period for which each Bidder is allowed to seek extension of Clock Rounds in accordance with the Auction Rules. Reductions from the Extension Budget to be carried out for the extended duration consumed; with parts rounded up.
FBG	Financial Bank Guarantee
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
Frequency Identification Stage	The second stage of the relevant Auctions as described in the Auction Rules.
Government	Government of India.
Group Bidding Entity	A single entity nominated by Associated Licensees corresponding to a single Common Parent, which shall be authorised to bid on their behalf in the relevant Auctions.
GSM	Global System for Mobile Communications.
Initial Eligibility	Number of Eligibility Points allocated to a Bidder based on its Application and amount of Earnest Money Deposit, wherein the Eligibility Points are linked to the applicable Reserve Price for each Block of each Service Area.
Insider	Any party to whom Confidential Information in relation to a Bidder is disclosed.
IT	Information Technology
LoI	Letter of Intent
LSA	Licensed Service Area
M&A	Merger & Acquisition

## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

Metro	Local Service Areas of Mumbai, Delhi and Kolkata.
Mock Auction	A mock auction to familiarise the Bidders with the Auction Rules and bidding methodology.
Net worth	
New Bids	Bids in service areas where the Bidder has not been determined to be a Provisional Winning Bidder at the end of the last completed Clock Round and in service areas where the Bidder submits a bid in the current Clock Round.
New Entrant Bidders	Those Bidders defined as "New Entrant" bidders in Section 3.2
NIA	Notice Inviting Applications
Nomination Form	Joint undertaking nominating the Group Bidding Entity jointly executed by each of the Associated Licensees along with the Group Bidding Entity.
Notice	Notice Inviting Applications for participation in the Auctions together with any amendments thereof.
Ownership Compliance Certificate	An undertaking from the Applicant confirming that it complies with the ownership restrictions in view of the other Applicants.
Promoter group	SEBI definition as contained in the most recent Securities and Exchange Board of India - Disclosure and Investor Protection Guidelines, 2000 issued by SEBI and updated from time to time.
Provisional Winning Bidders	Bidders who hold the Provisional Winning Blocks.
Provisional Winning Block	The number of blocks held by the Provisional Winning Bidder.
Provisional Winning Price	The lowest round clock price at which the Provisional Winning Blocks are determined.
Recognized Stock Exchanges	Stock Exchanges recognised by the Securities and Exchange Board of India (SEBI).
Reserve Price	The minimum bid price per block in each service area as determined by the Government and



## Auction of Spectrum in 1800MHz and 800MHz Bands – Notice Inviting Applications

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	notified.
RTGS	Real Time Gross Settlement
SACFA	Standing Advisory Committee on radio Frequency Allotments
Service Area	Service area definition is as per the UAS licence conditions. To clarify, Chennai would be included in the Tamil Nadu service area.
Successful Bidder(s)	The Bidder(s) who at the end of the relevant Auctions is confirmed as a Winning Bidder(s) for a particular service area by the Government.
TPA	Tripartite Agreement
UASL	Unified Access Service License
UL	Unified License