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Government of India
Ministry of Communications and IT
Department of Telecom
Sanchar Bhawan, 20, Ashoka Road,
New Delhi**

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Guidelines for Auction and Allotment of Spectrum in 1800MHz & 800MHz Bands

The Government of India hereby announces the following guidelines for Auction and Allotment of Spectrum in 1800MHz & 800MHz Bands:

1. Frequency Bands

Spectrum in 1800 MHz & 800 MHz bands shall be allocated for telecom services through auction.

2. Eligibility for bidding for spectrum in 1800MHz and 800MHz bands

Eligibility criteria shall be as below:

- Holder of CMTS/ UAS licenses or who fulfils the eligibility for obtaining a Unified Licence(UL); and
- The companies/licensees whose licenses are slated to be quashed as per the direction of Supreme Court will be treated as new entrants.

Guidelines for Unified License (UL) will be issued separately.

3. Objectives of Auction

The objectives of the auction are:

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

4. Amount of Spectrum and Number of Blocks and size of Blocks of Spectrum to be Auctioned

Auction in 1800 MHz band:

- Block size shall be 1.25 MHz (Paired).
- In 1800 MHz band, a minimum of 8 blocks each of 1.25 MHz (10MHz), will be put to auction in all service areas. In addition, a provision may also be made for spectrum up to 3 blocks each of 1.25 MHz (3.75MHz), wherever available, for topping up the 8 blocks of spectrum put for auction i.e. upto a total of 11 blocks each of 1.25 MHz to meet the requirement of new entrants, if such an exigency arises.

- The existing operators will be allowed to take maximum two blocks of 1.25 MHz each.
- New entrants will be required to bid for minimum of 4 blocks each of 1.25 MHz.
- New entrants will also be allowed to bid for one additional block of 1.25MHz.

Auction in 800 MHz band:

- Block size shall be 1.25 MHz (Paired).
- 3 blocks each of 1.25 MHz (3.75 MHz) will be put to auction. In addition, a provision may also be made for spectrum of 1 block of 1.25 MHz, 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.
- Existing operators will be allowed to bid for 1 block of 1.25 MHz.
- New entrants will be required to bid for a minimum of 2 blocks each of 1.25 MHz.
- New entrants will also be allowed to bid for one additional block of 1.25 MHz.

5. Liberalisation of Spectrum

The spectrum to be assigned shall be liberalized. In other words, spectrum in any band can be used for providing any service within the scope of respective service licenses using any technology.

6. Conversion of existing spectrum to liberalized spectrum

Service providers may be allowed to convert their existing 1800 MHz spectrum to liberalized spectrum for a period of 20 years on payment of auction determined price. However, period of 20 years will be subject to licensee acquiring Unified Licence on expiry of existing licence. The entry fee already paid may be adjusted on pro-rata basis only on one occasion when the licensees convert their spectrum into liberalized spectrum.

7. Validity Period of auctioned spectrum

Validity period of spectrum to be auctioned shall be 20 years.

8. Mergers and Acquisitions

Mergers and acquisitions shall be as per guidelines on the subject issued by Department of Telecommunications from time to time. This policy is applicable for intra-service area merger of licenses.

9. Auction Process

A simultaneous, multiple round ascending e-auction shall be conducted, as per details to be notified separately. The broad stipulations shall be as follows:

- (a) The bidding shall be service area wise.
- (b) The reserve price for auction shall be set for each service area.
- (c) The Government of India reserves the right to disqualify any bidder for violation of auction rules.

10. Roll Out Obligations

The roll-out obligations will be notified separately.

11. Penalty for Spectrum Hoarding

The successful bidders may be subject to penalties as defined in the NIA in case of spectrum hoarding.

12. Price related issues

Reserve Price, Terms of Payment, annual spectrum usage charges will be announced separately

13. Other Issues

- The Government of India reserves the right to amend or modify these terms and conditions before the commencement of auction process. The final conditions shall be as indicated in the bidding document.
- The Government of India reserves the right to cancel the bidding process or disqualify any bidder without assigning any reason.
- Trading/sharing of spectrum, if any, shall be governed by policy as may be determined by the Government of India.