

Auction of Spectrum in 2100 MHz, 1800MHz, 900MHz and 800 MHz Bands

**Queries & Responses
To
Notice Inviting Applications
Dated 09thJanuary 2015**

**Government of India
Ministry of Communications & Information Technology
Department of Telecommunications
5thFebruary, 2015**

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
1.	<p>This is with reference to the NIA for Auction of spectrum in 2100, 1800, 900 and 800 MHz bands, issued on 9thJanuary, 2015 and the Earnest Money (EMD) Requirements specified therein. The EMD requirement specified for 900 and 1800 MHz spectrum shows a sharp increase in comparison with the requirement in earlier auctions. The average EMD as a percentage of the Reserve Price for the February, 2014 auction of 1800 MHz spectrum was 22% (variations between circles ranged from 17% to 47%). The latest NIA for the forthcoming auctions scheduled in February, 2015 has a requirement of an EMD of 33% on a Pan India basis with the requirement ranging between 23% to 55% of Reserve Price in various circles. In the case of 900 MHz spectrum, the EMD in the auction of February, 2014 was an average of 11% across the 3 Metros whereas the NIA for the auction scheduled in February, 2015 has an average requirement of 29% across states, ranging from 26% to 47% (detailed analysis given in the enclosed tables).</p> <p>The sharp increase in the EMD requirement in the current auction is surprising since the General Financial Rules (GFR- Rule 157) of the Government of India clearly specify that : “ Amount of bid security should ordinarily range between 2% to 5% of the estimated value.....”.</p> <p>It is understood that the requirement of Bid Security or EMD is to safeguard against a bidder’s withdrawing or altering its bid, and to ensure participation by serious bidders only. Even with this requirement, the GFRs specify only 2 to 5 % of the value as the EMD. Keeping the EMD at such high levels is against the principles of the GFRs and would not serve any purpose other than to discourage bidders from participating in the auction. There are also enough safeguards within the auction system to ensure participation by serious bidders only. Moreover, there are no changes in the auction process to justify the hike in the EMD requirement between the last auction and the forthcoming auction. Introduction of onerous conditions such as this will reduce the number of bidders, which will be anti-competitive and also against the long term financial interests of the government. This would only serve to further the interests of the larger players at the expense of new entrants and smaller players.</p>	<p>Kindly refer to Amendment No. 2 to this NIA.</p>

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	<p>It may also kindly be noted that once the spectrum is won in the auction, only 33% (in the case of 1800 MHz) and 25% (in the case of 800 and 900 MHz spectrum) of the final winning price is required to be paid as down payment. An FBG equal to one annual instalment is required for securitization of the balance payment.</p> <p>The EMD requirement in comparison appears disproportionate.</p> <p>Request: In view of the above, it is requested that the EMD requirement for all the spectrum bands proposed to be auctioned in the forthcoming auction may kindly be reconsidered in line with the existing practices and the General Financial Rules of the Government of India.</p>	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Reserve Price and EMD for 900 MHz 2014 auction Vs. 2015 proposed						Response
		(Rs. Crore per Block)						
Sr. No.	Circle	Reserve Price of 900 MHz per Block- NIA of Dec. 2013	EMD per Block as per NIA of 2013 900 MHz	EMD as a percentage of RP	Reserve Price of 900 MHz per Block- NIA of Jan. 2015	EMD per Block as per NIA of 2015 900 MHz	EMD as a percentage of RP	
1	2	3	4	5	6	7	8	
1	AP				91.8	24.25	26%	
2	Assam				14.8	5	34%	
3	Bihar				29.6	10.5	35%	
4	Delhi	360	34.5	10%				
5	Gujarat				84.8	24.25	29%	
6	Haryana				15.2	5	33%	
7	H.P.				5.4	2.25	42%	
8	J&K *							
9	KTK				74	24.25	33%	
10	Kerala				33.6	10.5	31%	
11	Kolkata	125	18.75	15%				
12	M.P.				35	10.5		
13	Mah				105	24.25		
14	Mumbai	328	34.5	11%				
15	N.E.				5.8	2.25	39%	
16	Orissa				13.4	5	37%	
17	Punjab				30.2	10.5	35%	
18	Rajasthan				39.4	10.5	27%	
19	T.N.							
20	UP - East				45.6	10.5	23%	
21	UP - West				34	10.5	31%	
22	W.B.				22.2	10.5	47%	
	PAN INDIA	813	87.75	11%	679.8	200.5	29%	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Reserve Price and EMD for 1800 MHz 2014 auction Vs. 2015 proposed							Response
		(Rs. Crores per Block)							
Sr. No.	Circle	Reserve Price of 1800 MHz per Block- NIA of Dec. 2013	EMD per Block as per NIA of 2013 1800 MHz	EMD as a percentage of RP	Reserve Price of 1800 MHz per Block- NIA of Jan. 2015	EMD per Block as per NIA of 2015 1800 MHz	EMD as a percentage of RP		
1	2	3	4	5	6	7	8		
1	AP	32.6	7.25	22%	33.8	10.5	31%		
2	Assam	1.4	0.5	36%					
3	Bihar	7.4	1.5	20%	12.4	5	40%		
4	Delhi	43.8	7.25	17%					
5	Gujarat	28.6	7.25	25%	47.6	10.5	22%		
6	Haryana	5.4	1.5	28%	6.4	2.25	35%		
7	H.P.	1.2	0.5	42%	1.8	1	56%		
8	J&K *	1	0.5	50%					
9	KTK	32	7.25	23%	37	10.5	28%		
10	Kerala	10.4	3	29%	15	5	33%		
11	Kolkata	14.6	3	21%	14.6	5	34%		
12	M.P.	8.6	1.5	17%					
13	Mah	34.6	7.25	21%					
14	Mumbai	41.4	7.25	18%					
15	N.E.	1.4	0.5	36%	2.2	1	45%		
16	Orissa	3.2	1.5	47%	4.6	2.25	49%		
17	Punjab	10.8	3	28%	14.2	5	35%		
18	Rajasthan	5.2	1.5	29%	12	5	42%		
19	T.N.	41.6	7.25	17%	45	10.5	23%		
20	UP - East	12.2	3	25%	19.4	10.5	54%		
21	UP - West	12.4	3	24%	19	10.5	55%		
22	W.B.	4.2	1.5	36%					
	PAN INDIA	354	76.75	22%	285	94.5	33%		

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	<p>It can be seen from the table above that the Overall Caps for 11 LSAs are lower than the overall Caps defined in the NIA for spectrum auction during Dec, 2013.</p> <p>On the contrary the spectrum Caps should have been higher considering the fact that the additional spectrum in 800 MHz band is being put to auction.</p> <p>We understand that the caps have been lowered due to surrender of spectrum by some of the operators. In this regard, it is submitted that the surrender of spectrum by any operator should not result in lowering of spectrum caps as the surrendered spectrum is already allocated for</p>																																																																																																																				

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>the cellular telephony and should be assigned either in the present or subsequent auction.</p> <p>Further, it is submitted that the operators procure spectrum on the basis the spectrum caps defined in the NIA. The lowering of Caps in the subsequent auction would force the operators to reduce their holdings. This is also unjustified/ impractical considering that a lot of investment has been made by the operator in network deployment basis the allocated spectrum.</p> <p>The Spectrum Caps should therefore be fixed on the basis of the spectrum available with DoT for allocation for commercial use even if it is not being put in the auction (as enhanced by the additional spectrum being put for auction). In no case the spectrum Caps be lower than the ones prescribed in a prior auction.</p> <p>We therefore request DoT, to kindly correct the above anomaly in respect of Overall Spectrum Cap as defined in Table 5-D of the NIA.</p>	
4.	<p>As per Clause 2.1b) of the NIA</p> <p>“</p> <ul style="list-style-type: none"> II. New entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band would bid for a minimum of 5 MHz (paired) of spectrum in the 900 MHz band, except in West Bengal service area. III. In the West Bengal service area new entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band would bid for a minimum of 4.4 MHz (paired) , which is the amount of spectrum available in this service area in the 900 MHz band.” <p>In this regard, it is submitted that the case of North East service area is similar to the case of West Bengal Service Area as indicated below:</p>	No Change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<ul style="list-style-type: none"> - In West Bengal, only one license (i.e. RTL) is expiring and the spectrum being vacated in 900 MHz band is 4.4 MHz - In North East, two licenses (i.e. RTL and Bharti Airtel Limited) are expiring and the spectrum being vacated in 900 MHz band is 8.8 MHz (i.e. 4.4 MHz each) <p>While the existing operator RTL has been provided the opportunity to take back its spectrum by bidding 4.4 MHz in West Bengal, the same dispensation is not provided in case of North East Service Area. In case of North East Service Area, an operator is required to bid for a minimum of 5 MHz, thereby implying that:</p> <ul style="list-style-type: none"> - The auction design itself leads to a situation whereby only one operator out of the two expiring can win back its spectrum in North East - This will lead to a situation where one of the operators has to shut down its operations, a bizarre situation and on that is surely not intended - Further, the spectrum in excess of the quantum bid by the said operator will remain as unsold spectrum <p>It is therefore essential that the DoT reconsiders its decision and mandates lowering the quantum to be bid in 900 MHz band by a New Entrant / Existing Licensee expiring in 2015-16/ Existing licensee whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band to 4.4 MHz (paired) in North East Service Area.</p>	
5.	With regard to Clause 3.10 of NIA dated 9th January, 2015 it is requested to clarify whether liberalized spectrum allocated through auction conducted in 2010, 2012, 2013 and 2014 be the subject matter of 2015 NIA?	NIA is self-explanatory.
6.	Please clarify as to whom Clause 3.10 of 2015 NIA will be applicable and whether this clause has been incorporated taking a particular operator into consideration.	NIA is self-explanatory.
7.	Isn't the spectrum acquired by an operator at the reserve price in an auction a liberalized spectrum? Please clarify.	NIA is self-explanatory.
8.	Please refer to Clause 3.10 of NIA quoted herein below:-	NIA is self-explanatory.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>“Regarding rate of charging for making spectrum contiguous, acquired in the auction held in March 2013, the licensee in such cases would be charged differential of the latest auction price and the March 2013 auction price on pro-rata basis on the balance period of right to use the spectrum.”</p> <p>This clause runs contrary to Clause 1.3 of the NIA quoted here in below:-</p> <p>“Frequency reconfiguration i.e. rearrangement of spot frequencies in the same band, 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 or acquired through auction conducted in 2010, 2012, 2013, 2014 and onwards. No charges will be levied for rearrangement of frequency spots.”</p> <p>Please examine and clarify.</p>	
9.	<p>In the context of clause 1.3 and 3.10 of the NIA dated 9.1.2015, please clarify what was peculiar about the spectrum auction in 800 MHz band in March 2013 which was not there in the auctions conducted prior and after March 2013 i.e. 2010, 2012 and 2014 that Clause 3.10 has been incorporated.</p>	<p>Not relevant to present auction.</p>
10.	<p>Would there be any charge under Clause 3.10 of NIA dated 9.1.2015 for an operator who applies to make existing 3 carriers (3.75 MHz) in 800 MHz bought in auction held in March 2013 into contiguous frequency spots but does not either take part or is an unsuccessful bidder in the proposed auction?</p>	<p>NIA is self-explanatory.</p>
11.	<p>Can operators holding liberalized spectrum in 900 MHz and 1800 MHz bands acquired in the earlier auctions and who also acquire spectrum in aforesaid bands in the present auction, apply for rearranging/swapping of spectrum in the same bands to DoT or other operators to make it contiguous? If yes, is there any charge to be levied for such spectrum rearrangement?</p>	<p>NIA is self-explanatory.</p>
12.	<p>DoT is requested to clarify how 800 MHz spectrum allocated in March, 2013 would be converted into contiguous frequencies. Is DoT contemplating to bring in contiguity by allowing</p>	<p>NIA is self-</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	interchanging/reassigning the frequencies spots available with the DoT or by rearranging the frequencies with the 800 MHz frequencies already allocated to other TSPs?	explanatory.
13.	DoT can harvest additional spectrum in 800 MHz by reassignment of already allocated spectrum in contiguous frequency spots. This would increase revenue for the Government, increase 800 MHz spectrum supply as well as lead to more efficient utilization of 800 MHz band spectrum. DoT is requested to examine and clarify whether additional spectrum after rearrangement of 800 MHz spectrum into contiguous frequencies would be made available in auction of 800 MHz spectrum band besides the spectrum already mentioned in the Annexure 2C of the NIA.	NIA is self-explanatory.
14.	Tata Teleservices Ltd has surrendered spectrum in 800 MHz band which is lying idle but has not been put to auction. DoT is requested to examine and clarify whether spectrum surrendered by Tata Teleservices would be made available in auction of 800 MHz spectrum band besides the spectrum already mentioned in the Annexure 2C of the NIA.	No change in NIA condition.
15.	As per the “Clause 1.3 – The Auctions” and “Clause 6.5 – Frequency Identification Stage” of NIA dated 30 th January 2013, Frequency reconfiguration i.e. rearrangement of spot frequency in the same band, within the assignments made to the licensees is permitted even to make spectrum contiguous and no charges can be levied for such rearrangement of frequency spot. However, as per the Clause 3.10 of NIA dated 9 th January 2015, charges for making contiguous spectrum in 800 MHz band acquired in auction held in March 2013 are payable. DoT is requested to examine and remove the anomaly.	NIA is self-explanatory.
16.	What are spectrum usage charges for 800 MHz band spectrum to be auctioned in February, 2015?	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
17.	What is time line for authorizing successful bidders of 800 MHz spectrum for commercial usage of spectrum to be vacated by MTNL/BSNL?	Such spots would be made available in due course of time.
18.	What would be effective date for 800 MHz spectrum band to be vacated by MTNL/BSNL?	Such spots would be made available in due course of time.
19.	DoT has specified existing quantum of spectrum available in 800 MHz band at Annexure 2C Of the NIA. The uplink and downlink frequencies specified in Annexure 2C is not as per the 800 MHz band plan and seem to have been interchanged. DoT is requested to examine and specify correct frequency spots under Uplink and Downlink categories.	Kindly refer to Amendment No 2 to this NIA.
20.	Subject: REQUEST FOR ISSUANCE OF A FRESH, COMPREHENSIVE & CORRECTED NIA WITH ACCURATE DETAILS This is with reference to the NIA dated January 9, 2015 for auction of spectrum in 2100 MHz, 1800 MHz, 900 MHz and 800 MHz bands.	Kindly refer to Amendment No 2 to this NIA.
21.	The NIA has various discrepancies and errors, some of which were highlighted in the Pre-Bid Conference held on January 13, 2015. The DoT also acknowledged that in short time provided for Pre-bid conference (one working day as against 5 working days last time), almost every operator had pointed some error or anomaly in the NIA. Thus, it only re-enforces the fact that the NIA has been issued without sufficient diligence.	Kindly refer to Amendment No.2 to this NIA.
22.	It is not clear has to how spectrum caps have been reduced since last auction. You would appreciate that there needs to be consistency and predictability on such issues; a. The spectrum cap has been reduced in 11 out of 22 circles (Details as per Annexure – A). Instead, we believe that if more spectrum is being put for auction, the spectrum caps should have been raised. We understand that some spectrum may have been withdrawn for Defence, but that does not explain the extent of reduction being shown in NIA. The	Kindly refer to Amendment No.2 to NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																																																																																																			
	<p>only reason this can happen is if the entire spectrum available with the Government which was earlier allocated / put up for auction is not being put to auction this time or there are errors in the NIA. This needs to be addressed.</p> <p style="text-align: right;">Annexure – A</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Service Area</th> <th>Overall Cap (MHz) as per Dec, 2013 NIA</th> <th>Overall Cap (MHz) as per Jan, 2015 NIA</th> <th>Difference Overall Cap Jan,15 NIA V/s Dec, 13 NIA (MHz)</th> </tr> </thead> <tbody> <tr><td>1</td><td>Kolkata</td><td>66.38</td><td>61.38</td><td>(5.00)</td></tr> <tr><td>2</td><td>Karnataka</td><td>67.88</td><td>62.90</td><td>(4.98)</td></tr> <tr><td>3</td><td>Delhi</td><td>63.60</td><td>59.23</td><td>(4.37)</td></tr> <tr><td>4</td><td>Maharashtra</td><td>63.83</td><td>59.70</td><td>(4.13)</td></tr> <tr><td>5</td><td>Gujarat</td><td>63.65</td><td>59.98</td><td>(3.67)</td></tr> <tr><td>6</td><td>Mumbai</td><td>67.93</td><td>64.43</td><td>(3.50)</td></tr> <tr><td>7</td><td>Andhra Pradesh</td><td>67.50</td><td>64.90</td><td>(2.60)</td></tr> <tr><td>8</td><td>Tamil Nadu</td><td>72.58</td><td>70.10</td><td>(2.48)</td></tr> <tr><td>9</td><td>Kerala</td><td>68.93</td><td>67.40</td><td>(1.53)</td></tr> <tr><td>10</td><td>Bihar</td><td>62.98</td><td>62.35</td><td>(0.63)</td></tr> <tr><td>11</td><td>West Bengal</td><td>61.43</td><td>61.15</td><td>(0.28)</td></tr> <tr><td>12</td><td>Rajasthan</td><td>64.48</td><td>64.48</td><td>-</td></tr> <tr><td>13</td><td>Uttar Pradesh (West)</td><td>61.13</td><td>61.13</td><td>-</td></tr> <tr><td>14</td><td>Orissa</td><td>64.93</td><td>65.55</td><td>0.62</td></tr> <tr><td>15</td><td>Himachal Pradesh</td><td>62.08</td><td>63.33</td><td>1.25</td></tr> <tr><td>16</td><td>Punjab</td><td>65.75</td><td>67.00</td><td>1.25</td></tr> <tr><td>17</td><td>Uttar Pradesh (East)</td><td>62.03</td><td>64.18</td><td>2.15</td></tr> <tr><td>18</td><td>Madhya Pradesh</td><td>65.15</td><td>67.38</td><td>2.23</td></tr> <tr><td>19</td><td>Assam</td><td>54.08</td><td>56.70</td><td>2.62</td></tr> <tr><td>20</td><td>Haryana</td><td>62.23</td><td>65.35</td><td>3.12</td></tr> <tr><td>21</td><td>Jammu & Kashmir</td><td>49.65</td><td>54.03</td><td>4.38</td></tr> <tr><td>22</td><td>North East</td><td>59.35</td><td>64.98</td><td>5.63</td></tr> </tbody> </table> <p>b. Please note that the Spectrum Caps should be fixed on the basis of the spectrum available with DoT for allocation, including the spectrum available on account of surrender of spectrum by any operator, to commercial use even if it is not being put in the auction. Any reduction in earlier notified spectrum cap is unfair.</p>	S. No.	Service Area	Overall Cap (MHz) as per Dec, 2013 NIA	Overall Cap (MHz) as per Jan, 2015 NIA	Difference Overall Cap Jan,15 NIA V/s Dec, 13 NIA (MHz)	1	Kolkata	66.38	61.38	(5.00)	2	Karnataka	67.88	62.90	(4.98)	3	Delhi	63.60	59.23	(4.37)	4	Maharashtra	63.83	59.70	(4.13)	5	Gujarat	63.65	59.98	(3.67)	6	Mumbai	67.93	64.43	(3.50)	7	Andhra Pradesh	67.50	64.90	(2.60)	8	Tamil Nadu	72.58	70.10	(2.48)	9	Kerala	68.93	67.40	(1.53)	10	Bihar	62.98	62.35	(0.63)	11	West Bengal	61.43	61.15	(0.28)	12	Rajasthan	64.48	64.48	-	13	Uttar Pradesh (West)	61.13	61.13	-	14	Orissa	64.93	65.55	0.62	15	Himachal Pradesh	62.08	63.33	1.25	16	Punjab	65.75	67.00	1.25	17	Uttar Pradesh (East)	62.03	64.18	2.15	18	Madhya Pradesh	65.15	67.38	2.23	19	Assam	54.08	56.70	2.62	20	Haryana	62.23	65.35	3.12	21	Jammu & Kashmir	49.65	54.03	4.38	22	North East	59.35	64.98	5.63	
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23.	<p>As per clause 2.1 (b) of the NIA:</p> <p>a. <i>“II. New entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees</i></p>	No change in NIA conditions.																																																																																																																			

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	<p><i>whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band would bid for a minimum of 5 MHz (paired) of spectrum in the 900 MHz band, except in West Bengal service area.</i></p> <p><i>i. III. In the West Bengal service area new entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015- 16 & holding spectrum only in 1800 MHz band would bid for a minimum of 4.4 MHz (paired) , which is the amount of spectrum available in this service area in the 900 MHz band.”</i></p> <p>b. In this regard, it is submitted that the case of North East service area is similar to the case of West Bengal Service Area as indicated below:</p> <ul style="list-style-type: none"> i. In West Bengal, only one license (i.e. RTL) is coming up for extension and the spectrum being vacated in 900 MHz band is 4.4 MHz. ii. In North East, two licenses (i.e. RTL and Bharti Airtel Limited) are coming up for extension and the spectrum being vacated in 900 MHz band is 8.8 MHz (i.e. 4.4 MHz each) <p>c. While the existing operator RTL has been provided the opportunity to re-acquire its existing spectrum allocation by bidding 4.4 MHz in West Bengal, the same dispensation is not provided in case of North East service area. In case of North East service area, an operator is required to bid for a minimum of 5 MHz, thereby implying that:</p> <ul style="list-style-type: none"> i. The auction design itself leads to a situation whereby only one operator can win back its spectrum in North East. ii. This will lead to a situation where one of the operators has to shut down its operations, a bizarre situation and one that is surely not intended. iii. Further, the spectrum in excess of the quantum bid by the said operator will remain 	

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	<p>as unsold.</p> <p>d. It is therefore essential that the DoT reconsiders its decision and mandates lowering the quantum to be bid in 900 MHz band by a New entrant / Existing licensee coming up for extension in 2015-16 in North East service area.</p>	
24.	<p>In respect of quantum of spectrum as mentioned in Clause 2.1 of the NIA, it is submitted that TRAI has clearly cautioned in its recommendations as well as in its recent response dated January 15, 2015 to the DoT re-reference. TRAI has stated:</p> <p><i>“There is a severe shortage of spectrum in both the 900 and 1800 MHz bands. Auctioning spectrum of expiring licences in such a supply- constrained situation will lead to serious problems and unintended outcomes.”</i></p> <p>We submit that the supply constrained situation continues seeing the quantum of spectrum in the NIA.</p> <p>The TRAI has also stated:</p> <p><i>“Supply of both 900 and 1800 MHz can be augmented by unilateral action of the DoT. Specific measures were suggested by TRAI in this regard.”</i></p> <p>TRAI has further mentioned that the end result of such an auction can only be what the Authority mentioned in its Recommendations of October 2014, namely, industrial distress, a sharp fall in sectoral investment, a deterioration in the quality of service and consumer difficulties (in terms of access and/or higher tariffs) and such an auction with constrained supply of spectrum will defeat the objectives of Auction as set out in the NIA. We request DoT to clarify why such measures have not been taken into account despite recommendation of expert body like TRAI and despite the requests of various stakeholders.</p>	<p>These are as per the decision(s) of the Government.</p>

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	<p>are higher for 900 MHz compared to 1800 MHz in all other circles.</p> <p>g. The EMD as a % of reserve price is significantly higher in this proposed auction compared to the Feb'14 auction. This can be seen from the table :</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>900 MHz</th> <th>1800 MHz</th> <th>800 MHz</th> </tr> </thead> <tbody> <tr> <td colspan="4">1. Feb '14 Auction</td> </tr> <tr> <td>No. of Circles</td> <td>3</td> <td>22</td> <td>-</td> </tr> <tr> <td>RP per block</td> <td>813</td> <td>353</td> <td>-</td> </tr> <tr> <td>EMD per block (IN Rs cr)</td> <td>88</td> <td>77</td> <td>-</td> </tr> <tr> <td>EMD as % to RP</td> <td>10.8%</td> <td>21.7%</td> <td>-</td> </tr> <tr> <td colspan="4">2. NIA Jan'15</td> </tr> <tr> <td>No. of Circles</td> <td>17</td> <td>15</td> <td>20</td> </tr> <tr> <td>RP per block</td> <td>680</td> <td>285</td> <td>4,279</td> </tr> <tr> <td>EMD per block</td> <td>201</td> <td>95</td> <td>665</td> </tr> <tr> <td>EMD as % to RP</td> <td>29.5%</td> <td>33.2%</td> <td>15.5%</td> </tr> </tbody> </table> <p>h. Despite repeated commitments in past auctions, there is no confirmation on spectrum sharing and spectrum trading guidelines. Spectrum Sharing and Trading are the main strategies regarding Spectrum Management in NTP12 to enable optimal utilisation of spectrum through appropriate regulatory framework. More than a year has elapsed since the last NIA was issued and we cannot have auction after auction without clarity on basic policy applicable to the resource being auctioned, especially when sufficient time has elapsed since the TRAI sent its recommendations on the subjects.</p>		900 MHz	1800 MHz	800 MHz	1. Feb '14 Auction				No. of Circles	3	22	-	RP per block	813	353	-	EMD per block (IN Rs cr)	88	77	-	EMD as % to RP	10.8%	21.7%	-	2. NIA Jan'15				No. of Circles	17	15	20	RP per block	680	285	4,279	EMD per block	201	95	665	EMD as % to RP	29.5%	33.2%	15.5%	<p>Amendment No. 2 to this NIA.</p> <p>h. Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.</p>
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Query No.	Query	Response
	<p>i. Clause 1.3 of NIA mentions as follows:</p> <p>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 or acquired through auction conducted in 2010, 2012, 2013, 2014 and onwards. No charges will be levied for rearrangement of frequency spots.</p> <p>We submit that as per DoT, spectrum allocated before 2010 auctions needs to be liberalized for the purpose of frequency reconfiguration/ rearrangement or harmonization amongst operators. Without prejudice, we submit that such reconfiguration may be required for overall efficient use of spectrum by all users and where the technology and service will remain same for operators having spectrum allocated to them before 2010. Thus, this condition to pay for liberalization even for harmonization purposes may go against the overall policy objectives of efficient use of spectrum. We request that such condition should not be imposed on the users. This condition in the NIA is also against TRAI’s recommendations on frequency re-arrangement. We thus request DoT to kindly clarify this issue.</p>	<p>i. NIA is self-explanatory.</p>
26.	<p>It is clearly evident from the above that the DoT seems to be rushing into the NIA without getting the basic facts correct - Never before has an NIA been issued where a spectrum band stated in the Title Header is not detailed in the main document. Also the pre bid conference has been held based on a partial NIA with no mention of another pre-bid conference after the complete NIA is issued. The DoT has already stated its intent of simultaneous auction of 2100 MHz along with other spectrum bands. We request that 15-20 MHz of 2100 MHz spectrum (as recommended by TRAI) be included in the fresh NIA with all other relevant details We also request that the whole process following the NIA starting with the pre-bid conference be conducted sequentially after the complete and correct NIA has been issued. It may also be noted that in such a case, the last date for seeking clarifications cannot be January 19, 2015 as</p>	<p>Kindly refer to Amendment No.1 and No.2 to this NIA.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	mentioned in the Auction Timetable in the NIA and the same needs to be amended.	
27.	<p>The DoT would appreciate the need for a transparent auction with complete and accurate details to ensure healthy participation, particularly when operators are expected to commit such huge investments. The Government too has to ensure healthy revenues for the exchequer and hence proper and complete information is absolutely essential.</p> <p>In view of the above, we request the DoT to kindly issue a fresh comprehensive NIA after complete due diligence that addresses all afore-mentioned inconsistencies witnessed in the current NIA. It must also be ensured that the issue of fresh NIA is followed-up with another Pre-Bid conference so that operators can seek clarifications on queries emanating out of the complete and correct document. The Auction timetable also needs to be amended accordingly.</p>	Kindly refer to Amendment No.1 and 2 to this NIA.
28.	<p>NIA Ref: The details regarding 2100 MHz band will be issued later. A single auction process will be carried out for allotting Spectrum blocks in various bands viz. 2100 MHz, 1800 MHz, 900 MHz and 800 MHz bands and is referred to in this document as the “Auction”</p> <p>Q: We would request that the details of availability and quantum in 2100 band should be made available and at least 15 working days should be provided for analyzing the same before submission of application. Any financial decision on the bidders part needs some time.</p>	Kindly refer to Amendment no.1 and Amendment No.2 to this NIA
29.	<p>NIA Ref: -same-as-above</p> <p>Q: As discussed in pre bid conference, kindly provide for one additional pre-Bid conference and provision to seek queries once details of 2100 bands are made available</p>	Kindly refer to Amendment No.1 and Amendment No.2 to this NIA.
30.	<p>NIA Ref: Entire NIA</p>	Kindly refer to Clause 1.1 of NIA and Amendment

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	Q: DOT may please clarify that all provisions of the NIA, except for pricing and availability of spectrum, shall apply to auction of spectrum in 2100 MHz band.	No.2 to NIA.
31.	<p>NIA Ref: 2.2 Backhaul Spectrum (page 20) 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. 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.</p> <p>The terms and conditions for allocation of MW carriers are published on WPC website. The availability of MW carriers is published as per table 3.1 of TRAI consultation paper on MW. TRAI has recommended in Aug 2014 that MWA and MWB carriers should be allocated administratively along with access spectrum.</p> <p>Q: It has been 10 months since the close of Febⁿ14 auctions but MW has not been allotted to us in new circle Assam. Such delay in allocation of MW impacts the ability to launch commercial services and significantly reduces the value of Access spectrum. We would request that specific timelines regarding allocation of MW access backhaul should be provided in NIA so that bidders can take considered decisions.</p>	NIA is self-explanatory.
32.	<p>NIA Ref: -same-as-above</p> <p>Q: DoT may confirm that the availability of MW carriers is correctly represented in table 3.1 of TRAI consultation paper (2 of 2014)? Specifically the availability of MW carriers in Assam</p>	Not related to present NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	service area in 13Ghz (3 out of 8 available), 18Ghz (25 out of 32 available), 21Ghz (35 out of 40 available) may be confirmed.	
33.	<p>NIA Ref: 2.2 Backhaul Spectrum (page 20) The Government shall make available spectrum for these purposes under the terms and conditions specified by the WPC Wing, subject to availability.</p> <p>Q: The availability of MW spectrum is known and the terms and conditions of allocation are published on WPC website. What is the timeline for allocation of MW access and backbone carriers?</p> <p>Certain operators who do not have pan India spectrum in 2100 Mhz are offering pan India 3G services.</p>	<p>The terms and conditions of allocation are as notified by the government from time to time.</p>
34.	<p>NIA Ref: -same-as-above-</p> <p>Q: Whether a UL operator having 2100 MHz spectrum in any one telecom circle can offer 3G services in other circles where it does not possess 2100 MHz spectrum through inter/ intra-circle roaming arrangement with other operators having 2100 MHz spectrum in those other circles.</p>	<p>The license conditions are self-explanatory.</p>
35.	<p>NIA Ref: 3.6.1 Roll-Out Obligations for Spectrum in 1800 MHz, 900 MHz and 800 MHz Band in Service Areas other than Metro Service Areas. (page 26) b) Each milestone of the rollout obligations as mentioned in the clause (iii) and clause (iv)(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,</p> <p>The rollout obligation in all NIA`s from 2012 to 2014 is uniformly prescribed for liberalized</p>	<p>No changes in NIA conditions.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>spectrum across all bands put to auction.</p> <p>Q: We would request that if an existing service provider which has acquired liberalized spectrum in 1800/900 bands through previous auctions and is already required to complete five phases of rollout, wins 800 or 2100 liberalized spectrum, in that case additional MRO should not apply since he is already doing MRO in the Circle using liberalized spectrum</p>	
36.	<p>NIA Ref: -same-as-above-</p> <p>Q: However, if a service provider holding administrative spectrum acquires 800, 900, 1800, 2100 liberalized spectrum or a new entrant acquires liberalized spectrum on a standalone basis in a green field circle, then the minimum rollout may be prescribed.</p> <p>NIA Ref: BHQ rollout (page 26) As presently there are about 6770 Blocks in the 19 Non-Metro Service areas in India, any TSP with Pan India presence will have to get about 677 Blocks (10%) tested by TERM per year, from the 3rd Year onwards upto 5th year , as per the NIA provisions. This comes to about 56 blocks per month per TSP. Taking a conservative No. of TSPs as 6, it would come to 336 blocks per month. The number of BHQs is 10 times the number of DHQs, circle TERM cells may not be geared up for processing these many applications and may be a bottleneck.</p>	Present Instructions are self-explanatory.
37.	<p>NIA Ref: -same-as-above-</p> <p>Q: With multiple TSPs acquiring spectrum through auctions in each LSA, it would appear as humanly impossible for TERM/DoT to test each and every service approval application with the present setup we would request DOT to consider the following: Proposed: 1.TSPs may be allowed to self test the BHQ coverage and submit the self certification. TERM cells may perform sample testing of coverage of 10% of offered BHQs randomly selected. 2. The testing fee should only be collected by DOT for 10% sample sites.</p>	Present Instructions are self-explanatory.
38.	<p>NIA Ref: 3.6 Roll-out obligations (page 28) (v) The number of Block Headquarters will be taken as</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>existing on the date of issue of the Notice Inviting Applications (NIA) for auction of spectrum.</p> <p>Q: We find that the list of BHQs is varying from different websites as per census 2011. To preclude any ambiguity, authenticated list of BHQs to be provided by DoT.</p>	
39.	<p>NIA Ref: 3.6 Roll-out obligations (page 28) (viii) 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.</p> <p>Q: Microwave Backhaul spectrum is an integral requirement for speedy rollout of network. The availability of MW spectrum is now known (TRAI table 3.1 should be published by WPC on its website). We would request that the allocation of MW access carriers should be done along with the Access spectrum as recommended by TRAI on 29 Aug 2014.</p>	No change in NIA conditions.
40.	<p>NIA Ref: 3.6 Roll-out obligations (page 29) : (x) 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.</p> <p>Some TERM cells are refusing to accept additional applications.</p> <p>Q: It should be clarified that there will be no restriction of offering only minimum mandated No. of DHQs / BHQs to TERM cells for testing in connection with rollout obligations compliance in a phase i.e. to encourage faster rollout of network in the LSA, the successful bidder should be allowed to register for TERM testing more than the minimum mandated No. of DHQs /BHQs in a particular phase. After testing, any excess service approval certificates in a particular phase should be considered applicable for the next phase.</p>	No change in NIA conditions.
41.	<p>NIA Ref: NIA clause 3.6.1 (xi) (b) (page 30) :</p> <p>It is mentioned in this clause that “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</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>clearance is granted in the online system of WPC would be considered as the „end date“.....” :</p> <p>Q: As per the WPC online system, the „WPC acceptance number“, „Acceptance date“ and „status“ are shown online simultaneously. The status can be „cleared“ or „under process“. When clearance is subsequently granted for an „under process“ site after processing by WPC, there is no provision of knowing the „online clearance“ date. As such the date of Hard copy SACFA clearance should be considered the clearance date for the site.</p>	
42.	<p>NIA Ref: NIA clause 3.6.1 (xi) (b) & (c) (page30) : The maximum delay in grant of the SACFA clearance beyond the mentioned prescribed duration (of 60 days) shall be excluded from the duration set for each phase of rollout obligations. ... The maximum (SACFA) delay is to be taken as per TDSAT judgement and is subject to the outcome of the appeal filed by the Union of India in Hon“ble Supreme Court on the above mentioned subject.</p> <p>Q: Considering the above, provision regarding calculation of “Average SACFA delay” according to NIA, clause 3.6.1(xi)(c) becomes redundant and should be deleted.</p>	Matter is <i>sub-judice</i> .
43.	<p>NIA Ref: NIA clause 3.6.1 (xii) Performance Bank Guarantee (page 31) : (a) (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 last phase of rollout obligations.</p> <p>Q: As the PBG of Rs. 35.00 Crores / 21.00 Crores has been calculated as per the maximum Liquidated damages of Rs. 7.00 Crores per phase per service area, the release / reduction of PBG should also be linked to compliance of each phase of roll-out obligations service area wise. There is no rationale in retaining the whole PBG upto the last phase of roll-out obligations. We would request DOT“s consideration on this point.</p>	No change in NIA conditions.
44.	<p>NIA Ref: 3.8 Duration (page 31) The validity period of the Spectrum in 1800 MHz, 900 and 800 MHz band won in these auctions shall be 20 years from the “Effective Date”. (b) In case of other successful bidders in 1800 MHz Band, date of issue of Lol.</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	Q: In Feb“2014 auction right to use was given after a delay of 8 months, hence validity of spectrum should be from right to use (not date of LOI). The clause may be suitably amended.	
45.	<p>NIA Ref: 3.2 (xii) (Page 23)</p> <p>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 Unified License and whose networth 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. However, this is subject to revision in accordance with the Guidelines on Trading of Spectrum when issued. <u>Further, these conditions are not applicable to existing licensees with effective date of licence as three years prior to date of allotment of spectrum as per terms and conditions of this NIA and period of license of existing operators as on date of auction shall be counted towards Lock-in period while being treated as new entrant for that service area.</u> The Lock-in period commences from the effective date as defined in NIA.</p> <p>Q: DoT may please clarify that the entire shareholding of a promoter of existing licensee, holding spectrum in few service areas, whose net worth is taken into consideration for eligibility to participate by such existing licensee in new service areas (where such existing licensee does not hold spectrum) shall not be subject to fresh lock in i.e. lock in will not restart again.</p>	Lock-in condition for promoters' equity will be applicable as per the NIA, if the existing licensee uses promoters' networth for gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring licenses as well.
46.	<p>NIA Ref: -same – as –above-</p> <p>Q: We recommend that these provisions of Lock-in can be made applicable for the companies who are presently not providing services in any service area with any spectrum band. However, these provisions should be considered redundant and not applicable for companies which are at present providing services in any service area with frequency spectrum (any band) acquired</p>	Lock-in condition for promoters' equity will be applicable as per the NIA, if the existing licensee uses promoters'

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	through auction.	network for gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring licenses as well.
47.	<p>NIA Ref: 2.1 (page 19) Bid amount as mentioned above will be collected subject to the condition that the amount to be collected in future at the time of providing balance spectrum would be the balance prorated bid amount indexed on the SBI PLR prevalent for the period between finalisation of bid price and actual allocation made. In all partial allotment cases where the successful bidders are more than one, the post auction allocation of balance spectrum will be made to all the successful bidders, district wise simultaneously.</p> <p>Q: DoT may please consider business impact on the successful bidders in the districts where spectrum is not presently available for the reasons beyond the control of such bidders which will only be made available by DoT in future. Keeping this in view, DoT may please consider to take away the condition of indexing of the final auction price on SBI PLR for pro rata payments towards spectrum in such districts.</p> <p>If spectrum in such districts becomes available in phased manner i.e. not enough for allocation to all the successful bidders in relevant circle in first phase and so on, how DoT would deal with such a situation.</p>	<p>No change in NIA condition.</p> <p>Kindly refer Amendment No.3 to this NIA.</p>
48.	<p>NIA Ref: 4.6 (page 44)</p> <p>Q: DoT may also please clarify that inclusion of spectrum to facilitate the funding of telecom projects shall also be notified under Unified License and tri partite agreement format under</p>	No change in NIA condition.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	Unified License shall accordingly be notified as soon as possible.	
49.	NIA Ref: 4.7 (page 44) third bullet Q: DoT may please prescribe the format for application for allotment of spectrum	Format is available on WPC website.
50.	NIA Ref: 6 (page 92) – Scanned soft copy to be submitted on CD-ROM/ DVD Q: DoT may please also allow to use other convenient electronic mediums to submit scanned soft copy such as USB drive, hard drives etc.	Kindly refer to Amendment No.3 to this NIA.
51.	NIA Ref: 8.5.2 (page 124) – Bidder Technical Problems Q: DoT may please give the rationale behind “non reliance on the email communications with Auction Administrator” in the event of problem accessing EAS. DoT may please confirm that any telephonic and email communication with Auction Administrator can be relied upon by the bidders.	Kindly refer to Amendment No.3 to this NIA.
52.	NIA Ref: 8.3.2 Format for Earnest Money Deposit (page111) 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 31st March 2016 from the date hereof. Q: It has been observed that tenor of EMD guarantee has been increased by one month as compared to last NIA requirement. DoT may please consider reduction of validity period of EMD guarantee to February 28, 2016 in line with the EMD validity requirement in last auction to avoid unnecessary cost on applicants.	No change in NIA condition.
53.	NIA Ref: Entire NIA: At various places SBI PLR/ Prime Lending Rate of SBI have been mentioned as reference rate for calculating the liability of TSPs.	No change in NIA condition.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>Q: In present scenario Prime Lending Rate (“PLR”) has become irreverent considering the guidelines from RBI to banks to disclose Base Rate and like credits to base rate. In fact while DOT mentions SBI PLR, the base rate is used. Necessary amendment may be issued to replace SBI PLR/ Prime Lending Rate of SBI with SBI Base rate.</p>	
54.	<p>NIA Ref: 4.2.1.1, Table 4-A,4-B and 4-C : Earnest Money Deposit</p> <p>Q: It has been observed that Earnest Money Amount is not consistent as percentage of reserve prices across the Bands as well as within the same band. In Some of the cases it is as high as 55% (UP(W) and HP in 1800 MHz band). In last auction it was comparatively very low. DoT may consider to reduce it and make it consistent across all bands.</p>	<p>Kindly refer to Amendment No. 2 to this NIA.</p>
55.	<p>NIA Ref: 2.1 Spectrum to be auctioned (page 9 to 20)</p> <p>Q: The minimum amounts a bidder can bid for and win is pre-defined in section 2.1. Bidders may have different technology usage in mind and preferences. A bidder defined as a New Entrant in a band/LSA may have preference for bidding for a smaller amount than, say, 5 MHz and an Existing Licensee may have a preference for winning a minimum amount of, say, 5 MHz. It would therefore improve flexibility and reduce risk if bidders themselves were allowed to decide the minimum amount (equal to or higher than, say, 0.6 MHz) they could bid for in a specific band and LSA Implementation of bidder-defined minimum bidding amounts across bands and LSAs should be straightforward to implement in the auction software.</p>	<p>No change in NIA condition.</p>
56.	<p>NIA Ref: 5.4.6 (page 7 to 73)</p> <p>Q: Section 5.4.6 (page 70-73) defines ranking criteria which are excessively complex. There is no merit in e.g. criterion 2 (number of unique clock round prices bid on) and criterion 5 (total value of all bids). We recommend that simplified rules are implemented with only three</p>	<p>No change in NIA condition.</p>

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Query No.	Query	Response
	<p>criteria:</p> <ol style="list-style-type: none"> 1. Bid price (descending order) 2. Round in which the bid was submitted (increasing order) 3. Random draw 	
57.	<p>NIA Ref: 5.5 (page 79 to 84)</p> <p>Q: Page 84 states that “Allocation of spectrum from the non-contiguous set will be allocated on random basis.” Is every single block won allocated on a random basis? If spectrum is available in scattered (continuous) lots (e.g. NE), how is the sequence of lots assigned defined? Does DoT allocate spectrum from the “bottom” or “top” of a lot? Could DoT please clarify what “random basis” means in practice? Could DoT please provide an example?</p>	<p>Allocation of non-contiguous spectrum would be done on the basis of Ranking and best fit to the quantum of spectrum won. This is also applicable to the examples on pages 80, 81 and 82, in respect of allocation of non-contiguous.</p>
58.	<p>NIA Ref: 5.5 (page 79 to 84)</p> <p>Page 84 states that “Frequency reconfiguration i.e. rearrangement of spot frequencies in the same band, from within the assignments made to the licensees, may be carried out...”.</p> <p>Q: We support this. In order to facilitate such frequency reconfiguration, DoT should publish an updated overview of all concrete spectrum assignments (spectrum amounts and frequency positions) across all bands available on their website. Vacant spectrum should also be described.</p>	<p>Quantum of spectrum holdings (operator, and service area wise) may be seen on DoT website.</p>
59.	<p>NIA Ref: 5.6 (page 84 and 85)</p>	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>Q: After each clock round bidders will be provided with information from the latest completed round. In addition, price information for the next round will be revealed (e.g. clock round prices next round). In the February-2014 auction, the auction software offered bidders to download this information (Excel format). We strongly support this, but in the February-2014 auction the information provided to bidders in the downloadable reports was incomplete. For instance, although stated on the screen the downloadable reports did not contain information about prices next round. Bidders are under a lot of (time) pressure in the auction. To be able to process new information in a secure and efficient way is critical. All information provided to bidders between rounds (information from latest and next round) should therefore be available in downloadable Excel reports.</p>	<p>The information would be available to each bidder after end of each clock round, as webpage/html.</p>
60.	<p>NIA Ref: Annexure 2A and 2B</p> <p>Q: Significant amounts (in particular in the 1800 MHz band) of spectrum are “partial” spectrum with lower value. It is not possible for bidders, when bids are submitted, to foresee whether they bid for partial or non-partial spectrum. We recommend therefore that DoT auction partial and non-partial spectrum as separate categories. Reserve prices for partial spectrum should be set lower than for non-partial spectrum.</p>	<p>No change in NIA conditions.</p>
61.	<p>NIA Ref: Annexure 2 A (page 11) UP-West, Block A: Meerut, Saharanpur, Muzaffarnagar, Bijnore and Firozabad</p> <p>Q: Shall we assume that in UP-West, Block A is available only in these 5 towns or available in entire service area except these 5 towns.</p>	<p>Kindly refer to Amendment No. 2 to this NIA.</p>
62.	<p>NIA Ref: Annexure 2A, 2B, 2C</p> <p>The operator wise allocation of GSM and CDMA spectrum was earlier published on WPC</p>	<p>Quantum of spectrum holdings (operator and service area wise)</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>website in 2009 and 2011. The auction acquired spectrum has also been rearranged by mutual consent, these details are not available in public domain.</p> <p>Q: We request DOT to publish the allocation of spectrum with the following details.</p> <p>a) Band wise, operator wise allocation b) Guard band c) Unallocated spectrum</p> <p>This should be made as part of the NIA as this forms the basis of Spectrum Caps.</p>	<p>may be seen on DoT website.</p>
63.	<p>NIA Ref: 8.3.1 General Instructions point 6. a) I. Networth (As on date).....</p> <p>Q: The computation of net worth is a time consuming process. It is requested to allow its submission basis the closing numbers and the exchange rates published by the RBI as at the previous working day instead of the date of the application.</p>	<p>The closing numbers and the exchange rates published by the RBI as at the previous working day to the date of application are allowed.</p>
64.	<p>NIA Ref: 8.3.1 Application Format for the 1800 MHz, 900 MHz and 800 MHz band Auction (page 100)</p> <p>The present application is for 1800/900/800 band for which the details are published in the NIA.</p> <p>Q: This application is silent on 2100 band, whether this same application will cover 2100 MHz also. DoT may kindly confirm.</p>	<p>Kindly refer to Amendment No.2 to this NIA.</p>
65.	<p>Section 1.3 The Auction</p> <p>In the Clock stage it has been mentioned at Page 7 that for the purpose of status as a “New Entrant” or as an “Existing Licensee”, 900 MHz and 1800 MHz bands would be treated as one. However, according to the details of 1800 MHz band in Section 2.1 at Page 10, those licensee</p>	<p>No change in NIA condition. May kindly refer to Amendment No.2 to NIA.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	whose licences are not expiring in 2015-16 and holding 1800 MHz band spectrum will be treated as 'existing licensee'. Further, according to the details of 900 MHz band at page 12 the same licensee is treated at par with 'new licensee' for the purpose of bidding in 900 MHz band, which contradicts the statement at Page 7. Please clarify.	
66.	Section 2.1 (b) (900 MHz): As per TRAI recommendation dated 15.10.2014 Vodafone's License is expiring in Tamil Nadu LSA on 11.12.2015 with spectrum holding of 6.2 MHz (in 900 MHz band) and 1 MHz (in 1800 MHz band). However the list of Service Areas where 900 MHz spectrum is put to auction, as provided in Section 2.1 (b) of the NIA, does not contain Tamil Nadu Service Area. Please Clarify	Vodafone's License T Nadu - Chennai merger case is in process.
67.	Section 2.1 (c) (800 MHz): We understand that in some of the services areas the spectrum put to auction in 800 MHz band also includes the spectrum that is being currently allocated to BSNL and MTNL. In view of this we request DOT to provide definitive timeline for allocation of spectrum in 800 MHz band to the successful bidders	Such spots would be made available in due course of time.
68.	<p>Section 2.1 Notes (Partial Spectrum):</p> <p>Note on Page 19 mention that <i>"For the Service Areas, where the spectrum is not available in some of the districts, while the bids will be sought for spectrum in entire LSA, the bid amount will be collected only for the spectrum available and the balance collected as and when spectrum is made available in each District..."</i></p> <p>In the above context, please clarify the following:</p> <p>(i) The Annexures indicate availability of partial spectrum in some of the LSAs. It is presumed that in all other LSAs, the spectrum is available in the entire LSAs. Please validate our understanding.</p> <p>(ii) What are the tentative timelines when the spectrum will be available in the districts,</p>	<p>i NIA is self-explanatory.</p> <p>ii No change in NIA</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>where it is not available at present in a particular LSA?</p> <p>(iii) On Page 19, illustration regarding partial spectrum allocation has been provided. In the illustration, the prorated amount comes out 4500, however this has been indexed over 5 Years using SBI PLR and calculated as 8290.96. Partial spectrum is allotted to bidder with no fault of bidder and put him at the competitive disadvantages as compared to bidders, who got spectrum in the entire LSA. What is the justification of indexing with SBI PLR? Should it not be prorated amount of 4500?</p>	<p>conditions.</p> <p>iii No change in NIA conditions.</p>
69.	<p>Section 2.2 Backhaul Spectrum: Can the Government provide clear visibility on the availability, opening of new bands (such as E Band and V Band Spectrum), timeline for allocation and charging of backhaul spectrum for access and backbone in the interest of transparency and allowing bidders to make an informed bid.</p>	<p>NIA is self-explanatory.</p>
70.	<p>Section 2.3 Technology: There is no restriction on the technology to be adopted using spectrum allotted through this auction. However there are possibilities of interference related issues which remain unaddressed, for instance if any bidder wants to deploy LTE in 900 MHz band, such deployment may be prone to interference more particularly due to the insufficient band separation for 800MHz CDMA downlink and the 900MHz LTE uplink. Such interference can be at the level of UE to UE as well as Base station to Base Station. In this reference</p> <p>(i) Will the Government ensure sufficient guard band between 800 MHz band downlink and 900 MHz band uplink so that bidder's free choice for technology selection as provided by the NIA is not limited due to interference issues?</p> <p>(ii) Please confirm that the Government will take all necessary steps to ensure interference free operations, if cross technology interference is reported by the Licensees on account of inadequate guard bands.</p>	<p>Appropriate filters are to be provided at the respective interface in the device/BTS.</p>
71.	<p>Section 2.3 Technology: Clause 2.3 of NIA (Page 20) further states that in case of change of</p>	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

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	<p>technology, while rolling out the networks for compliance of roll out obligations, information regarding the new technology should be given <u>at least one year before</u> any new technology Base Station site is offered for testing.</p> <p>In this context, please clarify the following:</p> <p>(i) If at the time of Auction, the successful bidder indicated ‘GSM’ as the technology to be used and at the time of rolling out of networks, it proposes to change it from ‘GSM’ to ‘LTE’, should such time limit of one year will be applicable? or the applicability of one year time frame is required only for the technologies other than GSM/WCDMA/CDMA/LTE ?</p> <p>(ii) Please include LTE in the second last Para at Page 20 alongwith ‘GSM/WCDMA/CDMA’.</p> <p>(iii) The spectrum is liberalised and there is mandate to adopt technology standards approved by ITU/TEC or any other International Standards Organization/ bodies/ Industry, in the dynamic and fast changing telecom sector, what is the rationale to provide information regarding the new technology <u>at least one year before</u>? Should this time period not be reduced to 3 months?</p> <p>(iv) In case of change of technology prior clearance is required to be ensured as per the NIA. It is presumed that such prior clearance will be within the stipulated information/notice period. If the time taken for the clearance is more than that, will the same be excluded for the purpose of roll out obligation and right to use the spectrum?</p>	<p>i) NIA is self-explanatory.</p> <p>ii) No change in NIA conditions.</p> <p>iii) No change in NIA conditions.</p> <p>iv) NIA is self - explanatory.</p>
72.	<p>Section 3.6.1 Rollout obligation:</p> <p>(i) Please clarify that in case of LSA with partial spectrum availability, the coverage</p>	<p>i) Please refer</p>

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	<p>requirement in terms of DHQ / BHQ for each phase shall be the specified percentage of the DHQs / BHQs where the spectrum has been made available.</p> <p>(ii) Clause (ix) under this section mentions that the Licensee will have to inform the choice of technology other than GSM/CDMA/WCDMA within one month of obtaining license. At the same time section 2.3 specifies that “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 license, if the technology happens to be other than GSM/WCDMA/LTE/CDMA.” In view of this discrepancy, please include LTE technology in the clause 3.6.1 (ix).</p> <p>(iii) Please confirm that the DOT will prescribe separate Test Schedule / Procedure (TSTP) for each technology (GSM/WCDMA/LTE/CDMA) in each spectrum band (800 MHz / 900 MHz / 1800 MHz / 2100 MHz).</p> <p>(iv) Clause (iv) (f) states <i>“In case of Existing Licensees having spectrum in 900 MHz and 1800 MHz bands, 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, 900 MHz band and 1800 MHz band will be treated as the same band.”</i></p> <p>It is presumed that if a Licensee having 1800 MHz spectrum covered certain BHQ/DHQ, it will not required to again cover those BHQs/DHQs with 900 MHz spectrum allocated through this auction? Please clarify.</p>	<p>clause No. 3.6.1 (vii) of NIA.</p> <p>ii) No change in NIA condition.</p> <p>iii) NIA is self-explanatory.</p> <p>iv) NIA is self-explanatory.</p>
73.	<p>Section 3.7 Spectrum Usage Charges:</p> <p>For SUC, this section refers two letters, P-11014/18/2008-PP dated Feb 25th 2010 & P-</p>	<p>Orders w.r.t. applicable SUC may please be seen on</p>

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Query No.	Query	Response
	14010/01/2014-NTG dated 31st October 2014. Letter dated 25.02.2010 is titled 'Revised Spectrum Charges for CDMA and GSM access networks of Telecom Service Providers' and provides slab based SUC for GSM and CDMA. It is presumed that SUC specified as 3% for CDMA up to 2x5.0 will be applicable for 800 MHz spectrum band. This is also consistent with the SUC provided on page 35 of the NIA dated 28th September, 2012. Please clarify.	DoT website from time to time.
74.	Section 3.8.1 Changeover of Frequency slots: DoT is requested to prescribe definitive timeline and ground rules for changeover of frequency slots before the Auction for the bidders to make the informed bid. In case a new entrant acquire spectrum of an existing licensee expiring in 2016, then the delay in handing over frequency slots can have a major bearing in roll out obligations and the period of right to use spectrum.	NIA is self-explanatory.
75.	Section 4.5 Payment Terms: For the spectrum allocation expected to be made available at least after 6 months of the date of declaration of final price, especially in case of changeover of frequency slots, the bidders should be permitted to pay the upfront payment only at the time of issuance of LOI. The Bank Guarantee for EMD amount can have appropriate validity for this. DoT is requested to prescribe this change in the NIA.	No change in NIA conditions.
76.	Section 4.7 Allotment of Spectrum: The effective date for reckoning the period of 20 years should be considered from the date of spectrum allocation, instead of date of issue of a Letter of Intent.	No change in NIA conditions.
77.	Section 4.10 and 4.11 Spectrum Sharing and Trading: DoT is requested to issue detailed guidelines on spectrum sharing and trading before start of the auction as these policies will have impact on the spectrum valuation	Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be

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Query No.	Query	Response
		before the Auction.
78.	<p>Section 5.5 Frequency Identification Stage: For allocation of contiguous blocks of spectrum many scenarios are discussed however we refer to DoT reply to the query <u>sr. no. 4 in the supplementary queries & responses dated 13th Jan 2014</u>, to NIA dated 12th December 2013, wherein DoT had clarified regarding allocation of 5 MHz blocks in 900 MHz. In this DoT had clarified that allocation of 5 MHz blocks will be done in a specific order as per the ranks of such bidders who win 5 MHz block spectrum and DoT had provided the rank wise spectrum blocks. DoT is requested to provide the same for current auction as well.</p>	Kindly refer to Amendment No.3 to this NIA.
79.	<p>Section 5.5 Frequency Identification Stage: Onpage 80 it is stated that <i>“Note: The system does the frequency assignment based on a pre-defined set of rules considering Contiguous Set of 5 MHz (Full with Guard Band, Full without Guard Band, Partial) in that order followed by non-contiguous spectrum (Full, Partial) in that order.”</i></p> <p>However, the details regarding 1800, 900 and 800 MHz bands, as attached in Annexure 2-A, 2-B and 2-C respectively, do not contain any information about the Guard Band availability. Considering importance of this information for the bidders, DOT is requested to provide guard band details for each of the spectrum band in Annexure 2-A, 2-B and 2-C.</p>	Kindly refer to Amendment Nos.2 & 3 to this NIA.
80.	<p>Section 5.5 Frequency Identification Stage: Please confirm that the largest contiguous block, even if less than 5MHz, will be allocated to the highest ranked bidder. For example, please confirm that 885.36 – 887.82MHz (uplink) block will be allocated to the highest ranked bidder in the 800MHz frequency band in Orissa.”</p>	Allocation of non-contiguous spectrum would be done on the basis of Ranking and best fit to the quantum of spectrum won. This is also applicable to the

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Query No.	Query	Response
		examples on pages 80, 81 and 82, in respect of allocation of non-contiguous.
81.	Section 5.5 Frequency Identification Stage: Those TSPs who have won 5MHz or more in previous auctions and wish to acquire incremental spectrum of 0.6 MHz or more should be allocated this incremental spectrum contiguous or closer to their existing spectrum holdings. DoT may ensure this and explain in NIA, how it could be achieved.	No change in NIA conditions.
82.	Section 8.3.1.1 (Page 107 of NIA) provides a Table to be Annexed with the Application. It has two columns existing licensee and new entrant. The Table may be Spectrum band wise as service provider can be treated as existing licensee in one spectrum band (900 MHz/1800 MHz) and may be new entrant in another spectrum band (800 MHz).	Kindly refer Amendment No.3to this NIA.
83.	Section 8.3.5 (Page 119)- Format for Ownership Compliance Certificate provides that “We, and----- ,the undersigned, as Directors and Authorised Representatives of <Name of the Applicant> (“Applicant”) hereby confirm,....” (i) The blank space should also be there after ‘We’. (ii) The language indicates that both the signatory should be Director, however, no such condition is there in the NIA. Please clarify.	Signatories should be one Director & one Authorised signatory.
84.	Annexure 2-C Details regarding 800 MHz band Frequency Spots: DoT is requested to clarify on the following and issue revised Annexure 1. There appears to be a typographical error wherein the uplink frequencies are marked as downlink frequencies and vice versa.	i) Kindly refer Amendment No 3 to this NIA.

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Query No.	Query	Response
	<p>2. NIA Section 2.1, paragraph c (800MHz), states the block size is 1.25MHz paired. Annexure 2-C (800MHz) specifies a carrier size of 1.23MHz increments. Therefore, a 4 carrier block size will only be 4.92MHz, whereas deployment of new technology such as WCDMA / LTE in 800 MHz will necessarily require Contiguous Set of 5 MHz spectrum allocation.</p>	<p>ii) No Change in NIA conditions.</p>
85.	<p>As per NIA for new entrant, it is mandatory to bid and get allocation for at least 5 MHz paired spectrum in either of the band. For use of spectrum in either of the bands for new technology applications like LTE, the requirement is of contiguous 5 MHz paired spectrum. Therefore, in the frequency identification stage if allocation of contiguous spectrum is not possible for a new entrant, such bidder should have choice for not accepting spectrum allocation identified by Electronic Auction System (EAS) and the next bidder can be made the provisional winning Bidder for the such frequency block.</p>	<p>No change in NIA conditions.</p>
86.	<p>Could you please indicate the likely schedule for auction of spectrum in (i) 700 MHz band; (ii) any other spectrum bands likely to be auctioned in next 1 to 2 years?</p>	<p>Schedule of subsequent auctions will be indicated from time to time.</p>
87.	<p>Bidders should be given additional opportunity to raise further queries once details about spectrum in 2100 MHz band are made available</p>	<p>Kindly refer to Amendment No.1 and Amendment No.2 to this NIA.</p>
88.	<p>In order to ensure complete transparency, DOT is requested to revalidate spectrum availability in all LSAs in view of representation from some of the operators during the pre-bid meeting that the actual spectrum availability only in few districts in some of the LSA instead of entire LSA availability as shown in the NIA.</p>	<p>Kindly refer Amendment No. 2 & 3 to this NIA.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
89.	<p>DOT is auctioning 800 MHz spectrum in 20 circles i.e. except Kerala and Rajasthan.</p> <p>Since the reserve price of the spectrum has been hiked steeply as compared to the last auction, there may not be very active participation by the operators for acquiring 800 MHz spectrum in all the 20 circles. DOT has also permitted through the NIA issued on 9th January, 2015 liberalization of 800 MHz spectrum by paying the auction determined price on pro rata basis for the balance period of the validity of the spectrum.</p> <p>DOT may kindly confirm that the price for liberalization of spectrum will be the Reserve Price instead of the auction determined price in respect of the circles where the spectrum will not be bid by any of the operators.</p>	Not related to present NIA.
90.	<p>As per the DOT guidelines, the operators are free to provide any approved technology in the liberalized spectrum.</p> <p>DOT may kindly confirm that the CDMA operators will be free to provide any technology for the mobile networks i.e. GSM / LTE after getting the existing 800 MHz spectrum liberalized and that the DOT will facilitate the harmonization of spectrum, wherever needed.</p>	NIA is self-explanatory.
91.	<p>The licenses of the CDMA operators are due for renewal in 2017 and onwards.</p> <p>DOT may kindly confirm that the operators will be allotted spectrum in the existing 800 MHz band only and not 1900 MHz at the time of renewal as 1900 MHz spectrum reserved so far for the expansion of CDMA operators, will no longer be available as the same is being swapped with 2100 MHz.</p>	Schedule & details of subsequent auctions will be indicated from time to time.
92.	<p>Since no 800 MHz spectrum is being put to auction in Rajasthan and Kerala circles,</p> <p>DOT may kindly indicate the likely availability of this spectrum in near future.</p>	Schedule & details of subsequent auctions will be indicated from time

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		to time
93.	<p>The existing operators are allowed to bid for a minimum of 0.6 MHz of spectrum in 900 MHz and 1800 MHz bands and a minimum of 1.25 MHz in 800 MHz spectrum band. The validity of this additional spectrum is 20 years. The existing spectrum will in anyway be having validity much less than 20 years. It is possible that due to certain reasons, the operator is not able to acquire sufficient spectrum in the auction at the time of renewal and accordingly will be left with inadequate spectrum for the continuity of the services.</p> <p>DOT may kindly confirm that to take care of such exigencies , DOT will allow the operators to get their existing spectrum liberalized by paying the market determined price in instalments in line with the current payment framework ,at any time before the expiry of the validity. The validity of this liberalized spectrum will be either coterminous with the validity of the spectrum acquired through auction or 20 years.</p>	No change in NIA conditions.
94.	<p>In the Feb 14 auction, EMD wrt 900 MHz was on an average 11.7% of the RP on per MHz basis. In the current NIA released on 9th January 2015, EMD for 900 MHz on per MHz basis is now working out to be 32.6% of the RP. In some of the circles like HP & WB, avg. EMD per MHz as %age of RP is as high as 42% and 47 % respectively. Similarly, for 1800 MHz average EMD per MHz as a percentage of RP has increased to 39% for Feb'15 auction as compared to an avg. of 27.7 % in Feb'14 auction. In fact, EMD as %age of RP is as high as 55% in circles like UP (E) &UP (W).</p> <p>DOT may kindly confirm that EMD amount will remain same or lower as in previous auction, as per table 1& 2 below :</p>	Kindly refer to Amendment No 2 to this NIA.

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	<p style="text-align: center;">Table 1, EMD proposed for 900 MHz auction of 2015 same as 2014</p> <table border="1"> <thead> <tr> <th rowspan="2">Sr. No.</th> <th rowspan="2">Circle</th> <th rowspan="2">DoT - 900 MHz Reserve Price Feb'2014</th> <th rowspan="2">EMD per block in Feb'14</th> <th rowspan="2">EMD as % of RP in Feb'14</th> <th rowspan="2">Reserve Price of 900 MHz per Block- NIA of Jan. 2015</th> <th colspan="3">Rs Cr per block</th> </tr> <tr> <th>EMD per Block as per NIA of 2015 900 MHz</th> <th>EMD per block as a percentage of RP in 2015</th> <th>Proposed EMD per block for 2015 using avg % of EMD in feb'14 auction</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Delhi</td> <td>360</td> <td>34.5</td> <td>9.6</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>Kol</td> <td>125</td> <td>18.75</td> <td>15.0</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3</td> <td>Mum</td> <td>328</td> <td>34.5</td> <td>10.5</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="4">Average</td> <td>11</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>4</td> <td>AP</td> <td></td> <td></td> <td></td> <td>91.8</td> <td>24.25</td> <td>26.42%</td> <td>10.10</td> </tr> <tr> <td>5</td> <td>Assam</td> <td></td> <td></td> <td></td> <td>14.8</td> <td>5</td> <td>33.78%</td> <td>1.63</td> </tr> <tr> <td>6</td> <td>Bihar</td> <td></td> <td></td> <td></td> <td>29.6</td> <td>10.5</td> <td>35.47%</td> <td>3.26</td> </tr> <tr> <td>7</td> <td>Gujarat</td> <td></td> <td></td> <td></td> <td>84.8</td> <td>24.25</td> <td>28.60%</td> <td>9.33</td> </tr> <tr> <td>8</td> <td>Haryana</td> <td></td> <td></td> <td></td> <td>15.2</td> <td>5</td> <td>32.89%</td> <td>1.67</td> </tr> <tr> <td>9</td> <td>H.P.</td> <td></td> <td></td> <td></td> <td>5.4</td> <td>2.25</td> <td>41.67%</td> <td>0.59</td> </tr> <tr> <td>10</td> <td>KTK</td> <td></td> <td></td> <td></td> <td>74</td> <td>24.25</td> <td>32.77%</td> <td>8.14</td> </tr> <tr> <td>11</td> <td>Kerala</td> <td></td> <td></td> <td></td> <td>33.6</td> <td>10.5</td> <td>31.25%</td> <td>3.70</td> </tr> <tr> <td>12</td> <td>M.P.</td> <td></td> <td></td> <td></td> <td>35</td> <td>10.5</td> <td></td> <td>3.85</td> </tr> <tr> <td>13</td> <td>Mah</td> <td></td> <td></td> <td></td> <td>105</td> <td>24.25</td> <td></td> <td>11.55</td> </tr> <tr> <td>14</td> <td>N.E.</td> <td></td> <td></td> <td></td> <td>5.8</td> <td>2.25</td> <td>38.79%</td> <td>0.64</td> </tr> <tr> <td>15</td> <td>Orissa</td> <td></td> <td></td> <td></td> <td>13.4</td> <td>5</td> <td>37.31%</td> <td>1.47</td> </tr> <tr> <td>16</td> <td>Punjab</td> <td></td> <td></td> <td></td> <td>30.2</td> <td>10.5</td> <td>34.77%</td> <td>3.32</td> </tr> <tr> <td>17</td> <td>Rajasthan</td> <td></td> <td></td> <td></td> <td>39.4</td> <td>10.5</td> <td>26.65%</td> <td>4.33</td> </tr> <tr> <td>18</td> <td>UP - East</td> <td></td> <td></td> <td></td> <td>45.6</td> <td>10.5</td> <td>23.03%</td> <td>5.02</td> </tr> <tr> <td>19</td> <td>UP - West</td> <td></td> <td></td> <td></td> <td>34</td> <td>1.05</td> <td>3.09%</td> <td>3.74</td> </tr> <tr> <td>20</td> <td>W.B.</td> <td></td> <td></td> <td></td> <td>22.2</td> <td>10.5</td> <td>47.30%</td> <td>2.44</td> </tr> <tr> <td></td> <td>PAN INDIA</td> <td></td> <td></td> <td></td> <td>679.8</td> <td>191.05</td> <td>28.10%</td> <td>74.78</td> </tr> </tbody> </table>	Sr. No.	Circle	DoT - 900 MHz Reserve Price Feb'2014	EMD per block in Feb'14	EMD as % of RP in Feb'14	Reserve Price of 900 MHz per Block- NIA of Jan. 2015	Rs Cr per block			EMD per Block as per NIA of 2015 900 MHz	EMD per block as a percentage of RP in 2015	Proposed EMD per block for 2015 using avg % of EMD in feb'14 auction	1	Delhi	360	34.5	9.6					2	Kol	125	18.75	15.0					3	Mum	328	34.5	10.5					Average				11					4	AP				91.8	24.25	26.42%	10.10	5	Assam				14.8	5	33.78%	1.63	6	Bihar				29.6	10.5	35.47%	3.26	7	Gujarat				84.8	24.25	28.60%	9.33	8	Haryana				15.2	5	32.89%	1.67	9	H.P.				5.4	2.25	41.67%	0.59	10	KTK				74	24.25	32.77%	8.14	11	Kerala				33.6	10.5	31.25%	3.70	12	M.P.				35	10.5		3.85	13	Mah				105	24.25		11.55	14	N.E.				5.8	2.25	38.79%	0.64	15	Orissa				13.4	5	37.31%	1.47	16	Punjab				30.2	10.5	34.77%	3.32	17	Rajasthan				39.4	10.5	26.65%	4.33	18	UP - East				45.6	10.5	23.03%	5.02	19	UP - West				34	1.05	3.09%	3.74	20	W.B.				22.2	10.5	47.30%	2.44		PAN INDIA				679.8	191.05	28.10%	74.78	
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	<p style="text-align: center;">Table 2. EMD proposed for 1800 MHz auction of 2015 same as 2013</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="9" style="text-align: center;">Rs Cr per block</th> </tr> <tr> <th>Sr. No.</th> <th>Circle</th> <th>Reserve Price of 1800 MHz per Block- NIA of Dec. 2013</th> <th>EMD per Block as per NIA of 2013 1800 MHz</th> <th>EMD as a percentage of RP</th> <th>Reserve Price of 1800 MHz per Block- NIA of Jan. 2015</th> <th>EMD per Block as per NIA of 2015 1800 MHz</th> <th>EMD as a percentage of RP</th> <th>Proposed EMD per block for 2015 using 2013 % of EMD</th> </tr> <tr> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> <th>9</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>AP</td> <td>32.6</td> <td>7.25</td> <td>22%</td> <td>33.8</td> <td>10.5</td> <td>31.07%</td> <td>7.52</td> </tr> <tr> <td>2</td> <td>Bihar</td> <td>7.4</td> <td>1.5</td> <td>20%</td> <td>12.4</td> <td>5</td> <td>40.32%</td> <td>2.51</td> </tr> <tr> <td>3</td> <td>Gujarat</td> <td>28.6</td> <td>7.25</td> <td>25%</td> <td>47.6</td> <td>10.5</td> <td>22.06%</td> <td>12.07</td> </tr> <tr> <td>4</td> <td>Haryana</td> <td>5.4</td> <td>1.5</td> <td>28%</td> <td>6.4</td> <td>2.25</td> <td>35.16%</td> <td>1.78</td> </tr> <tr> <td>5</td> <td>H.P.</td> <td>1.2</td> <td>0.5</td> <td>42%</td> <td>1.8</td> <td>1</td> <td>55.56%</td> <td>0.75</td> </tr> <tr> <td>6</td> <td>KTK</td> <td>32</td> <td>7.25</td> <td>23%</td> <td>37</td> <td>10.5</td> <td>28.38%</td> <td>8.38</td> </tr> <tr> <td>7</td> <td>Kerala</td> <td>10.4</td> <td>3</td> <td>29%</td> <td>15</td> <td>5</td> <td>33.33%</td> <td>4.33</td> </tr> <tr> <td>8</td> <td>Kolkata</td> <td>14.6</td> <td>3</td> <td>21%</td> <td>14.6</td> <td>5</td> <td>34.25%</td> <td>3.00</td> </tr> <tr> <td>9</td> <td>N.E.</td> <td>1.4</td> <td>0.5</td> <td>36%</td> <td>2.2</td> <td>1</td> <td>45.45%</td> <td>0.79</td> </tr> <tr> <td>10</td> <td>Orissa</td> <td>3.2</td> <td>1.5</td> <td>47%</td> <td>4.6</td> <td>2.25</td> <td>48.91%</td> <td>2.16</td> </tr> <tr> <td>11</td> <td>Punjab</td> <td>10.8</td> <td>3</td> <td>28%</td> <td>14.2</td> <td>5</td> <td>35.21%</td> <td>3.94</td> </tr> <tr> <td>12</td> <td>Rajasthan</td> <td>5.2</td> <td>1.5</td> <td>29%</td> <td>12</td> <td>5</td> <td>41.67%</td> <td>3.46</td> </tr> <tr> <td>13</td> <td>T.N.</td> <td>41.6</td> <td>7.25</td> <td>17%</td> <td>45</td> <td>10.5</td> <td>23.33%</td> <td>7.84</td> </tr> <tr> <td>14</td> <td>UP - E.</td> <td>12.2</td> <td>3</td> <td>25%</td> <td>19.4</td> <td>10.5</td> <td>54.12%</td> <td>4.77</td> </tr> <tr> <td>15</td> <td>UP - W</td> <td>12.4</td> <td>3</td> <td>24%</td> <td>19</td> <td>10.5</td> <td>55.26%</td> <td>4.60</td> </tr> <tr> <td></td> <td>PAN IND</td> <td>219</td> <td>51</td> <td>23%</td> <td></td> <td>94.5</td> <td></td> <td>67.89</td> </tr> </tbody> </table>	Rs Cr per block									Sr. No.	Circle	Reserve Price of 1800 MHz per Block- NIA of Dec. 2013	EMD per Block as per NIA of 2013 1800 MHz	EMD as a percentage of RP	Reserve Price of 1800 MHz per Block- NIA of Jan. 2015	EMD per Block as per NIA of 2015 1800 MHz	EMD as a percentage of RP	Proposed EMD per block for 2015 using 2013 % of EMD	1	2	3	4	5	6	7	8	9	1	AP	32.6	7.25	22%	33.8	10.5	31.07%	7.52	2	Bihar	7.4	1.5	20%	12.4	5	40.32%	2.51	3	Gujarat	28.6	7.25	25%	47.6	10.5	22.06%	12.07	4	Haryana	5.4	1.5	28%	6.4	2.25	35.16%	1.78	5	H.P.	1.2	0.5	42%	1.8	1	55.56%	0.75	6	KTK	32	7.25	23%	37	10.5	28.38%	8.38	7	Kerala	10.4	3	29%	15	5	33.33%	4.33	8	Kolkata	14.6	3	21%	14.6	5	34.25%	3.00	9	N.E.	1.4	0.5	36%	2.2	1	45.45%	0.79	10	Orissa	3.2	1.5	47%	4.6	2.25	48.91%	2.16	11	Punjab	10.8	3	28%	14.2	5	35.21%	3.94	12	Rajasthan	5.2	1.5	29%	12	5	41.67%	3.46	13	T.N.	41.6	7.25	17%	45	10.5	23.33%	7.84	14	UP - E.	12.2	3	25%	19.4	10.5	54.12%	4.77	15	UP - W	12.4	3	24%	19	10.5	55.26%	4.60		PAN IND	219	51	23%		94.5		67.89	
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95.	<p>As per DoT amendment to UL dated 13 Nov 2014 for 'Reassignment of resources on expiry of licenses to new UL', existing licensee whose licences have expired or expiring in future will be reassigned/revalidated coverage test certificates issued to them as part of compliance to roll out obligations. However current NIA does not indicate any such condition in the Roll Out obligations Clause.</p> <p>DoT may kindly confirm that, DoT will allow Roll out obligations already met by the existing licensee at DHQ level in case of addition of spectrum blocks by existing licensee (whose licences have expired or expiring in future) holding 800/900/1800 MHz spectrum.</p>	In this respect, NIA and Amendment to the UL guidelines are self-explanatory.																																																																																																																																																																											
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	<p>licenses to new UL', existing licensee whose licences have expired or expiring in future will be reassigned/revalidated 'Backhaul spectrum' on migration to new UL.</p> <p>However current NIA does not indicate any such clause</p> <p>DoT may kindly confirm that, DoT will re-assign backhaul MWA/MWB spectrum to the existing licensee whose licences have expired or expiring in future and migrating to New UL.</p>	<p>the UL guidelines are self-explanatory.</p>
97.	<p>Currently, RTL is currently holding 1.8 MHz of 1800 MHz in WB circle and the same is expiring in Dec 2015. However NIA has not included this 1.8 MHz for auction.</p> <p>DoT may kindly confirm the Spectrum in 1800 MHz band will be made available in West Bengal circle.</p>	<p>No change in NIA conditions.</p>
98.	<p>Clause 3.2(xii) on page 23 of the current NIA mandates</p> <p>A. '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 and whose Net-worth has been taken in to consideration for determining the eligibility for bidding for spectrum, till completion of 3 years from date of allotment of spectrum or till fulfillment of all roll out obligations whichever is later'.</p> <p>Query A. DoT may kindly confirm, if in case the group bidding entity bids in the auction and spectrum is assigned to the associated licensee then the lock in condition of 3 years will be applied to group bidding entity or only the associated licensee.</p> <p>Query B. DoT may kindly confirm in case of licencees whose licences are expiring in 2015 will not be subject to lock in period as their licence have already been existing for 20 years.</p>	<p>NIA is self-explanatory.</p> <p>Lock-in condition for promoters' equity will be applicable as per the NIA, if the</p>

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		existing licensee uses promoters' network for gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring licenses as well.
99.	<p>Clause 4.10 of NIA on spectrum sharing states that only the liberalized spectrum will be allowed to share.</p> <p>DoT may kindly confirm that no decision has been taken on guidelines on sharing of spectrum and DoT may kindly confirm that sharing will be allowed for administrative allocated Spectrum (unliberalized spectrum) as and when sharing is allowed for liberalized spectrum.</p>	No change in NIA condition.
100.	<p>NIA allows new entrants/licensees whose licences are expiring in 2015-16/existing licensees whose licences are not expiring in 2015-16 & holding spectrum only in 1800 MHz to bid for minimum of 5 MHz of spectrum in 900 MHz band, except in WB. Considering the availability of only 8.8 MHz of 900 MHz available for forthcoming auction in NE circle, both licensees whose licences are expiring in 2015-16 will not be able to win back their existing quantum of 4.4 MHz each in 900 MHz, thereby leading to a situation that only one of such licensee may be able to acquire 5 MHz of 900 MHz and other licensee will be deprived of the 900 MHz spectrum.</p> <p>DoT may kindly confirm that it will allow the new entrants as well as existing licensees whose licenses are expiring in 2015-16 to bid for a block size of 4.4 MHz in 900 MHz in NE circle, so as to enable exiting licensees whose licenses are expiring in 2015-16 to win back their current</p>	No change in NIA condition.

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	holding.	
101.	<p>Clause 2.1 (a) (ii) of the Unified licence allows a 'licensee to enter into mutual commercial agreements for roaming facilities (within same service area or other service areas) with other CMTS Licensees/ UASL/Unified License (Access Services)/ Unified Licensees with Access Service authorization, unless otherwise directed by Licensor, irrespective of spectrum band held or technology deployed by such licensees. However, any Roaming arrangement shall not entitle the Licensee to acquire customer in the spectrum band not held or technology not deployed or for services/facilities not offered by the Licensee in its network.'</p> <p>Since 2100 MHz spectrum has been acquired through auction, Dot may kindly confirm that it can be used for any technology and that subscribers of a Licensee holding only 2100 MHz (3G network) in a LSA will be allowed to roam in the 900/1800 MHz (2G network) of another licensee operating in the same LSA for voice and data services and can also roam in other LSA.</p>	License conditions are self-explanatory.
102.	<p>TTL is an existing licensee since 1997 in various circles including Mumbai. In case, TTL wants to bid for 2100 MHz in Mumbai where it has only spectrum bands of 800 & 1800 MHz, it would be deemed a New Entrant. It has negative networth. So it uses its promoters' networth to become eligible to bid. Para 3.2 (xii) in NIA, reads as follows"....<i>Further, these conditions are not applicable to existing licensees with effective date of license as three years prior to date of allotment of spectrum as per terms and conditions of this NIA and period of license of existing operators as on date of auction shall be counted towards Lock-in period while being treated as new entrant for that service area. The lock-in period commences from the effective date as defined in NIA</i>".</p> <p>A. Given that TTL's license in Mumbai is greater than 3 years old, TTL wants to bid for 2100 MHz in Mumbai where it has only 800 & 1800 MHz, it uses its promoters' networth to gain</p>	Lock-in condition for promoters' equity will be applicable as per the NIA, if the existing licensee uses promoters' networth for gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring

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	<p>eligibility, please clarify that lock-in provisions to its promoters' equity in the Company will not apply?</p> <p>TTL is an existing licensee since 1997 in various circles. In case, TTL wants to bid for 2100 MHz in a circle where it has only spectrum bands of 800 & 1800 MHz, would it be deemed a New Entrant?</p> <p>If answer above is yes, then because TTL also has negative Network, it needs to rely on its promoters' Network to become eligible to bid. Para 3.2 (xii) in NIA, reads as follows“...<i>Further, these conditions are <u>not applicable to existing licensees with effective date of license as three years prior to date of allotment of spectrum as per terms and conditions of this NIA and period of license of existing operators as on date of auction shall be counted towards Lock-in period while being treated as new entrant for that service area. The lock-in period commences from the effective date as defined in NIA</u></i>”.</p> <p>Given that TTL's license in a particular circle is greater than 3 years old, TTL wants to bid for 2100 MHz in that circle where it has only 800 & 1800 MHz, it uses its promoters' network to gain eligibility, please clarify that lock-in provisions to its promoters' equity in the Company will not apply?</p>	<p>licenses as well.</p>
103.	<p>As per the current NIA clause 3.9 (a), TSPs would be allowed to convert their existing spectrum holding in 800 MHz into <i>liberalized spectrum only for the balance validity period of the spectrum assignment on payment of the auction determined amount. Please confirm:</i></p> <p>A. When and how the conversions of the existing spectrum to liberalized spectrum happen?</p> <p>B. Will it happen concurrently with the conclusion of the February 2015 auction or liberalization happen after the auction?</p>	<p>NIA is self-explanatory.</p>

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	<p>C. When does the TSP need to effect the payment for liberalization of the spectrum? What about the credit for the price paid to get the License i.e., the operators have earlier paid (Rs 1658 crore per technology for pan India) for acquiring these spectrum, will this amount be adjusted while converting existing holdings into liberalized one?</p> <p>D. If a TSP wins 800 MHz spectrum in this auction which is liberalized and makes the currently held 800 MHz spectrum obtained through administrative allocation liberalized after paying the price differential, then its exiting spectrum and spectrum acquired through auction will be made contiguous as DoT is obliged to make this happen by whatever means necessary?</p> <p>E. Is liberalization of existing spectrum and to make this contiguous with the spectrum acquired through current auction is contingent upon any other terms to be full filled by the operators apart from effecting payment?</p> <p>F. Is there a fixed time frame to get the existing 800 MHz band liberalized after making the payment? Particularly, in view of the past instance when the DoT has taken 12 months to allocate the spectrum won in the last auction.</p> <p>G. Whether the conversion of the existing spectrum to liberalize can happen at LSA wise and quantum wise as per the option exercised by the operator?</p> <p>H. If a TSP does not proceed with immediate liberalization of the existing spectrum and opt for it at a later date, how will the liberalization take place? Will the total liberalized spectrum (i.e., administrated allocated spectrum liberalized through payment of fee plus spectrum allocated through the February 2015 auction) be made contiguous then as DoT is obliged to make this happen as per terms of NIA?</p>	

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	<p>As per the current NIA clause 3.9 (a), TSPs would be allowed to convert their existing spectrum holding in 800 MHz <i>into liberalized spectrum only for the balance validity period of the spectrum assignment on payment of the auction determined amount. Please confirm -</i></p> <p>A. When and how the conversions of the existing spectrum to liberalized spectrum happen?</p> <p>B. Will it happen concurrently with the conclusion of the February 2015 auction or will liberalization happen after the auction? Is there a time limit from conclusion of the auction within which it should happen?</p> <p>C. What about the credit for the price paid to get the License i.e., the operators have earlier paid (Rs 1658 crore per technology for pan India) for acquiring these spectrum, will this amount be adjusted while converting existing holdings into liberalized one?</p> <p>D. Some TSP has kept one CDMA carrier in few circles above over & above its two carriers and it has been paying OTSC for the same. In case, said TSP liberalizes its administratively allocated 800 MHz spectrum holding in these circles by paying the market determined price. Will the already paid OTSC amount be adjusted while converting existing holdings into liberalized one?</p> <p>E. When does the TSP need to effect the payment for liberalization of the spectrum? Is there a staggered payment option as is available for new spectrum i.e. some part paid upfront and the balance in instalments?</p> <p>F. Does all spectrum holding of a TSP have to be liberalized at the same time? Please confirm that the spectrum can be liberalized circle by circle separately and there is no compulsion to liberalize a TSP’s entire holdings at one go.</p> <p>Also, if a TSP holds (say) 3.75 MHz of administered spectrum in a particular circle, then does all of this spectrum holding in that circle have to be liberalized at the same time</p>	

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	<p>or can the TSP liberalize (say) only 2.5 MHz out of 3.75 MHz at a point in time and do the rest either sometime in the future or never at all till expiry ?</p> <p>G. If a TSP wins 800 MHz spectrum in this auction which is liberalized and makes the currently held 800 MHz spectrum, obtained through administrative allocation, liberalized, either in part or in full, after paying the price differential, then does the DoT undertake to make its existing spectrum and spectrum now acquired through auction contiguous within a specified time frame? Since the reserve prices seem to reflect the sue of this spectrum for technologies other than CDMA, and this is possible only if the spectrum is contiguous, then it must be obligatory on DoT to ensure that this happens. It would be unfair to expect the TSP to pursue making spectrum contiguous on their own, especially if they have paid the high prices being asked for, for this spectrum.</p> <p>H. Is the liberalization of existing spectrum and the process to make this contiguous with the spectrum acquired through current auction contingent upon any other terms to be fulfilled by the operators apart from effecting payment?</p> <p>I. Is there a fixed time frame to get the existing 800 MHz band liberalized after making the payment? Particularly, in view of the past instance when the DoT has taken 12 months to allocate the spectrum won in the last auction.</p> <p>J. Is there a time frame for DoT to make available bands within its control for making the acquisitions contiguous even if this band has not been put up for auction at this time for various reasons? The reserve price being charged for the band is based on its being usable for other technologies which only holds if it is in contiguous spots. Otherwise it is not usable for any technology other than CDMA.</p> <p>K. As part of DoT’s letter dated March 20, 2013 imposing levy of One Time Spectrum Charges for CDMA Spectrum, TTL has surrendered certain carriers in the 800 MHz</p>	

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	<p>band to DoT. These have not been put up for auction in the current NIA. If TTL is successful in obtaining 800 MHz spectrum through the current February 2015 auction, would DoT allocate some or all of the returned 800 MHz carriers to TTL if it becomes necessary to achieve contiguity with the earlier existing and newly acquired spectrum.</p> <p>L. If a TSP does not proceed with immediate liberalization of the existing spectrum and opts for it at a later date, how will the liberalization take place at that time? Also, will the total liberalized spectrum (i.e., administratively allocated spectrum liberalized through payment of fee plus spectrum allocated through the February 2015 auction) be made contiguous at that time as the DoT is obliged to do so as per the terms of NIA?</p>	
104.	<p>In case the lock-in applies to the Promoters' equity, would the lock-in apply to the entire promoters' holding in the Company? For example: if a company has a negative networth and wants to bid for one LSA say Mumbai, it requires a networth of Rs 100 Cr. If the promoter's networth is used to gain eligibility, and if the lock-in applies, will equity equivalent to Rs 100 Cr of paid-up value of the promoter in the Company will be locked-in. Please confirm.</p>	<p>Lock in will apply to the entire holding of promoter in the company.</p>
105.	<p>Reference clause 6 (2) (iii): <u>Audited certificates</u> for "Networth" and "Paid Up capital" as on 31.12.2014, signed by Company Secretary or <u>Authorized Certificates</u> would be submitted by the company, not later than 15-02-2015. Please clarify what is the meaning of Audited certificates and Authorized Certificates?</p>	<p>Kindly refer to Amendment No. 3 to this NIA.</p>
106.	<p>In the current NIA, a provision has been made for partial payment in case partial spectrum is available in a LSA. While so, TTL has made the entire payments for spectrum taken under Dual Technology in 2008 itself, but till date, TTL has not been allocated GSM start-up spectrum in Delhi LSA and in 39 crucial districts in 9 LSAs, despite having made full payments in 2008 itself. What's the status of allocation of start-up GSM spectrum to TTL in Delhi and in 39 districts in 9 LSAs?</p>	<p>No change in NIA conditions.</p>

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107.	What is the time line of spectrum becoming available in districts where it is currently not available?	No change in NIA conditions.
108.	As per 4.6 (page 44) “The Tripartite Agreement (TPA) as in the UAS licenses may be modified appropriately to include ‘Spectrum’, to facilitate funding of telecom projects.” – We request DoT to explicitly mention the time lines for signing such agreements to avoid delays.	No change in NIA conditions.
109.	What is the future road map for auction of spectrum in various bands?	Schedule of subsequent auctions will be indicated from time to time.
110.	As per NIA, SUC has been notified as per DoT letter P- 14010/01/2014-NTG dated 31.10.2014. However, this order talks about SUC for 900 & 1800 MHz band only. Please clarify regarding SUC for 800 MHz spectrum bought in the current auction.	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.
111.	TRAI has given its recommendation on spectrum sharing and trading long ago. DoT has not issued the final guidelines. This information is crucial for bidders for participating in the current auction. Will DoT announce the spectrum sharing and trading guidelines before the commencement of auction? Is there a linkage between trading/sharing and liberalization of spectrum? Our understating is that non-liberalized spectrum is also eligible for trading and sharing. Please confirm.	Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.
112.	Is trading and sharing allowed at the districts level or at the LSA level?	No change in NIA condition.
113.	The NIA (Clause 4.10) states that operators whose entire spectrum holding in a particular band is/has been liberalized will be permitted to share spectrum. We understand that no final	No change in NIA condition.

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Query No.	Query	Response																																																																																					
	guidelines have been announced as yet and also TRAI has recommended sharing of spectrum whether allocated administratively or through auction. Please clarify?																																																																																						
114.	<p>Spectrum Caps as indicated in Table 5-D of the Notice Inviting Application</p> <p>A comparison of the overall spectrum cap defined in the present NIA with respect to the overall caps defined in Dec, 2013 NIA is indicated in the table below:</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Service Area</th> <th>Overall Cap (MHz) as per Dec, 2013 NIA</th> <th>Overall Cap (MHz) as per Jan, 2015 NIA</th> <th>Difference Overall Cap Jan,15 NIA V/s Dec, 13 NIA (MHz)</th> </tr> </thead> <tbody> <tr><td>1</td><td>Kolkata</td><td>66.38</td><td>61.38</td><td>(5.00)</td></tr> <tr><td>2</td><td>Karnataka</td><td>67.88</td><td>62.90</td><td>(4.98)</td></tr> <tr><td>3</td><td>Delhi</td><td>63.60</td><td>59.23</td><td>(4.37)</td></tr> <tr><td>4</td><td>Maharashtra</td><td>63.83</td><td>59.70</td><td>(4.13)</td></tr> <tr><td>5</td><td>Gujarat</td><td>63.65</td><td>59.98</td><td>(3.67)</td></tr> <tr><td>6</td><td>Mumbai</td><td>67.93</td><td>64.43</td><td>(3.50)</td></tr> <tr><td>7</td><td>Andhra Pradesh</td><td>67.50</td><td>64.90</td><td>(2.60)</td></tr> <tr><td>8</td><td>Tamil Nadu</td><td>72.58</td><td>70.10</td><td>(2.48)</td></tr> <tr><td>9</td><td>Kerala</td><td>68.93</td><td>67.40</td><td>(1.53)</td></tr> <tr><td>10</td><td>Bihar</td><td>62.98</td><td>62.35</td><td>(0.63)</td></tr> <tr><td>11</td><td>West Bengal</td><td>61.43</td><td>61.15</td><td>(0.28)</td></tr> <tr><td>12</td><td>Rajasthan</td><td>64.48</td><td>64.48</td><td>-</td></tr> <tr><td>13</td><td>Uttar Pradesh (West)</td><td>61.13</td><td>61.13</td><td>-</td></tr> <tr><td>14</td><td>Orissa</td><td>64.93</td><td>65.55</td><td>0.62</td></tr> <tr><td>15</td><td>Himachal Pradesh</td><td>62.08</td><td>63.33</td><td>1.25</td></tr> <tr><td>16</td><td>Punjab</td><td>65.75</td><td>67.00</td><td>1.25</td></tr> </tbody> </table>	S. No.	Service Area	Overall Cap (MHz) as per Dec, 2013 NIA	Overall Cap (MHz) as per Jan, 2015 NIA	Difference Overall Cap Jan,15 NIA V/s Dec, 13 NIA (MHz)	1	Kolkata	66.38	61.38	(5.00)	2	Karnataka	67.88	62.90	(4.98)	3	Delhi	63.60	59.23	(4.37)	4	Maharashtra	63.83	59.70	(4.13)	5	Gujarat	63.65	59.98	(3.67)	6	Mumbai	67.93	64.43	(3.50)	7	Andhra Pradesh	67.50	64.90	(2.60)	8	Tamil Nadu	72.58	70.10	(2.48)	9	Kerala	68.93	67.40	(1.53)	10	Bihar	62.98	62.35	(0.63)	11	West Bengal	61.43	61.15	(0.28)	12	Rajasthan	64.48	64.48	-	13	Uttar Pradesh (West)	61.13	61.13	-	14	Orissa	64.93	65.55	0.62	15	Himachal Pradesh	62.08	63.33	1.25	16	Punjab	65.75	67.00	1.25	Kindly refer to Amendment No.2 to this NIA.
S. No.	Service Area	Overall Cap (MHz) as per Dec, 2013 NIA	Overall Cap (MHz) as per Jan, 2015 NIA	Difference Overall Cap Jan,15 NIA V/s Dec, 13 NIA (MHz)																																																																																			
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query					Response
17	Uttar Pradesh (East)	62.03	64.18	2.15		
18	Madhya Pradesh	65.15	67.38	2.23		
19	Assam	54.08	56.70	2.62		
20	Haryana	62.23	65.35	3.12		
21	Jammu & Kashmir	49.65	54.03	4.38		
22	North East	59.35	64.98	5.63		
<p>It can be seen from the table above that the Overall Caps for 11 LSAs are lower than the overall Caps defined in the NIA for spectrum auction during Dec, 2013.</p> <p>On the contrary the spectrum Caps should have been higher considering the fact that the additional spectrum in 800 MHz band is being put to auction.</p> <p>We understand that the caps have been lowered due to surrender of spectrum by some of the operators. In this regard, it is submitted that the surrender of spectrum by any operator should not result in lowering of spectrum caps as the surrendered spectrum is already allocated for the cellular telephony and should be assigned in the present auction. However, if that is not possible, it may be assigned in a subsequent auction.</p> <p>Further, it is submitted that the operators procure spectrum on the basis the spectrum caps defined in the NIA. The lowering of Caps in the subsequent auction tantamount to retrospective change and would force the operator to reduce their holdings for no reason attributable to them. This is also unjustified/ impractical considering that a lot of investment has been made by the operator in network deployment basis the allocated spectrum within the erstwhile specified caps.</p> <p>The Spectrum Caps should therefore be fixed on the basis of the spectrum available with DoT</p>						

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>for allocation for commercial use, including the one on account of surrender by some operators, even if it is not being put in the present auction. In any case, the spectrum Caps should not be lower than the ones prescribed in a prior auction.</p> <p>DoT is requested to kindly correct the above anomaly in respect of Overall Spectrum Cap as defined in Table 5-D of the NIA.</p>	
115.	<p>Table 5-D & 5-E : Overall spectrum Cap & Cap in 1800 MHz band</p> <p>a) The overall Spectrum cap in respect of Delhi, Mumbai, Assam and Kerala service area is lower than what it should be even if all the possible surrendered spectrum is excluded. It appears to be a calculation error which needs correction.</p> <p>b) As per table 5-E, the cap in 1800 MHz in Bihar LSA has been mentioned as 28.55 MHz. It is submitted that this cap is significantly lower than the 1800 MHz Cap for Bihar LSA prescribed in Dec, 13 NIA (i.e. 44.15 MHz). We presume that this is a calculation error.</p> <ul style="list-style-type: none"> - DoT is requested to correct the errors and revise the spectrum Caps. - DoT is also requested to publish the basis on which spectrum caps have been derived including spectrum holding of the operators, so that the errors can be corrected. 	<p>a) Kindly refer to Amendment No.2 to this NIA.</p> <p>b) Kindly refer to Amendment No 2 to this NIA.</p>
116.	<p>Quantum of spectrum put up for auction in 800 MHz band:</p> <p>As per the NIA, only 103.75 paired spectrum is put to auction in 20 service areas. The total available spectrum in 800 MHz band is 2x20 MHz which, as per our knowledge, is fully available for cellular telephony. The table below indicates the additional spectrum in 800 MHz band which should have been put to auction:</p>	<p>No change in NIA conditions.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query						Response
	Service Area	The spectrum Cap as per NIA	Additional spectrum which can be put to auction = (2x20 – spectrum Cap)/2	Spectrum being put to auction	Total paired spectrum which should be put to auction (in MHz)		
	Andhra Pradesh	15.00	5.00	6.25	11.25		
	Assam	16.25	3.75	11.25	15.00		
	Bihar	13.75	6.25	5.00	11.25		
	Delhi	16.25	3.75	3.75	7.50		
	Gujarat	13.75	6.25	2.50	8.75		
	Haryana	15.00	5.00	7.50	12.50		
	Himachal Pradesh	15.00	5.00	8.75	13.75		
	Jammu & Kashmir	13.75	6.25	8.75	15.00		
	Karnataka	15.00	5.00	1.25	6.25		
	Kolkata	13.75	6.25	1.25	7.50		
	Madhya Pradesh	16.25	3.75	6.25	10.00		
	Maharashtra	13.75	6.25	3.75	10.00		

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query						Response
	Mumbai	16.25	3.75	7.50	11.25		
	North East	16.25	3.75	11.25	15.00		
	Orissa	15.00	5.00	7.50	12.50		
	Punjab	13.75	6.25	3.75	10.00		
	Tamil Nadu	15.00	5.00	1.25	6.25		
	Uttar Pradesh (East)	12.50	7.50	3.75	11.25		
	Uttar Pradesh (West)	13.75	6.25	1.25	7.50		
	West Bengal	13.75	6.25	1.25	7.50		
	Total	293.75	106.25	103.75	210.00		
	<p>As indicated in the table above an additional 106.25 MHz paired spectrum can be made available for auction. This also increases the availability of 800 MHz to 210 MHz paired. Further, more than 5 MHz is available in all the 20 LSAs with greater than 10 MHz available in 13 LSAs. DoT is requested to make this additional spectrum in 800 MHz band available in the present auction.</p>						
117.	<p>800 MHz band:</p> <p>The NIA gives preferential treatment to 800 MHz band in terms of:</p> <ul style="list-style-type: none"> - EMD required as a percentage of Reserve price - Liberalization of existing spectrum holding in 800 MHz band 					No change in NIA conditions.	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<ul style="list-style-type: none"> - Making contiguous spectrum in 800 MHz band - Spectrum Usage Charges <p>DoT is requested to clarify the reason for preferential treatment to 800 MHz band as compared to 900/ 1800 MHz band. DoT is requested to give same treatment for 900/ 1800 MHz band as given to 800 MHz since all spectrum is liberalized and can be used interchangeably for different technologies.</p>	
118.	<p>As per clause 2.1 (b) of the NIA:</p> <p><i>“II. New entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band would bid for a minimum of 5 MHz (paired) of spectrum in the 900 MHz band, except in West Bengal service area.</i></p> <p><i>III. In the West Bengal service area new entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015- 16 & holding spectrum only in 1800 MHz band would bid for a minimum of 4.4 MHz (paired) , which is the amount of spectrum available in this service area in the 900 MHz band.”</i></p> <p>In this regard, it is submitted that the case of North East service area is similar to the case of West Bengal Service Area, as indicated below:</p> <ul style="list-style-type: none"> - In West Bengal, only one license (i.e. RTL) is expiring and the spectrum being vacated in 900 MHz band is 4.4 MHz. - In North East, two licenses (i.e. RTL and Bharti Airtel Limited) are expiring and the spectrum being vacated in 900 MHz band is 8.8 MHz (i.e. 4.4 MHz each) <p>While the existing operator RTL has been provided a fair opportunity to take back its spectrum</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>by bidding 4.4 MHz in West Bengal, the same dispensation is not provided in case of North East service area. In case of North East service area, both existing operators are required to bid for a minimum of 5 MHz, thereby creating an auction design which itself leads to a situation where only one operator out of the two expiring can win back its spectrum in North East and the other operator has to shut down its operations - a bizarre situation and one that is surely not intended.</p> <p>DoT is requested to reconsider its decision and mandate lowering the minimum bidding quantum in 900 MHz band by a New entrant / Extension Licensee in North East service area in line with its decision to allow the same for West Bengal service area.</p>	
119.	<p>As per clause 2.1 (b) of the NIA:</p> <p><i>“II. New entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band would bid for a minimum of 5 MHz (paired) of spectrum in the 900 MHz band, except in West Bengal service area.”</i></p> <p>DoT has mandated a minimum quantum of 5 MHz considering that a minimum of 5 MHz contiguous spectrum is required for deployment of newer technologies like 3G. It is submitted that with the advancement in technologies, newer technologies like 3G can be deployed with 4.4 MHz contiguous spectrum. This quantum is also sufficient for deployment of GSM networks.</p> <p>Since the available spectrum is not in the multiple of 5MHz e.g. 15.6 MHz in 1 circle, 14 MHz in 4 circles, 12.4 MHz in 5 circles, 8.8. MHz in 1 circle, 6.2 MHz in 5 circles and 4.4 MHz in 1 circle. Keeping a block size of 5 MHz will essentially result in spectrum in excess of a multiple of 5 MHz</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>either remains unsold or sold as a price of initial 5 MHz by the extension licensee as it does not allow the entry of an additional operator unless some existing operator is outbid and forced to exist the business.</p> <p>Considering the above submissions, it is suggested that the minimum quantum of spectrum in 900 MHz band that a new entrant/ Existing licensee expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz be kept at 4.4 MHz.</p> <p>This will lead to a possibility of entry of an additional operator having 900MHz spectrum in many circles and allow business continuity in some circles. Further, it will also lower the probability of having unsold spectrum, thereby maximizing revenues for the exchequer.</p> <p>DoT is therefore requested to consider that the minimum amount of spectrum in 900 MHz band that a new entrant/ Existing licensee whose license is expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz is required to bid is kept at 4.4 MHz for all service areas.</p>	
120.	<p>Interference Issue:</p> <p>The issue of heavy interference persists in 2100 MHz spectrum allocated to Airtel in J&K through auction in 2100 MHz band in April 2010.</p> <p>Airtel individually and vide the association has been representing this issue of interference in 3G band since 2011 to the DoT, WPC and WMOs at various occasions. While WPC, vide its letter dated July 11, 2011, has itself acknowledged that in some cases /locations the source of interference appears to be from across the border, till date the issue has not been resolved and Airtel is struggling to get clean spectrum in a large part of LSA, despite paying auction determined price for interference free and “usable” spectrum.</p>	Spectrum being put to auction is on “as is where is” basis.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>The delay in resolution of this interference issue is adversely affecting the desired 3G expansion / roll out plans in J&K service area leading to a considerable and continuous drain on the operational cost and loss of potential revenues.</p> <p>In this regard, your attention is also drawn towards TRAI’s recommendations on Valuation and Reserve Price of Spectrum: 2100 MHz Band dated December 31, 2014;</p> <p><i>“4.5 The Authority recommends that the issue of interference, reported in the 2100 MHz band in some LSAs, needs to be resolved before putting fresh spectrum blocks to auction in these LSAs. Further, it is imperative to ensure that spectrum blocks being put to auction are interference-free.”</i></p> <p>In view of the above and availability of spectrum in 2100 MHz for auction, we request DoT the following:</p> <ul style="list-style-type: none"> a) Interference prone spectrum allocated to Airtel in J&K is replaced with an equal amount of interference free spectrum before putting any new spectrum to auction. b) Since the networks could not be rolled out due to interferences, the period for rollout obligations should start from the date of provisioning of interference free spectrum. c) Further, DoT should guarantee that the spectrum coming up for auction in all bands is free from interference and suitable for rolling out a good quality communication networks. 	
121.	<p>Spectrum Usage Charges payable on 800 MHz spectrum:</p> <p>As per clause 3.7 of the NIA, the operator is required to pay Spectrum Usage Charges as per the present rates prescribed in letter nos. P-11014/18/2008-PP dated Feb 25th 2010 & P-14010/01/2014-NTG dated 31st October 2014.</p> <p>As per our understanding, the spectrum usage charge is 5% on the spectrum to be allocated via</p>	<p>Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																														
	<p>this auction. However, the circulars mentioned in reference to the spectrum usage charges indicate that the spectrum usage charges on 800 MHz spectrum will be payable as per the escalating rates defined in order dated 25thFeb, 2010. The difference rate of SUC for the similar spectrum in different bands being put to auction will further perpetuate the existing anomaly between 900/1800 MHz band and 800MHz band.</p> <p>Therefore, DoT is requested to ensure the same SUC for all type of spectrum bands, including 800 MHz band, in this auction.</p>																															
122.	<p>Annexure 2B – 900 MHz carrier</p> <p>Presently, as per the information available on 900 MHz, 1.6 MHz of spectrum in AP, Karnataka, Punjab & Gujarat is partly allocated to the operators as per below:</p> <table border="1" data-bbox="388 763 1474 1274"> <thead> <tr> <th>S No</th> <th>LSA</th> <th>Quantum</th> <th>Frequency range (MHz)</th> <th>Allocated in (Operator)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>AP</td> <td>1.6 MHz</td> <td>910.5 - 912.1/ 955.5 - 957.1</td> <td>Hyderabad only (Airtel)</td> </tr> <tr> <td>2</td> <td>Karnataka</td> <td>1.6 MHz</td> <td>910.5 - 912.1/ 955.5 - 957.1</td> <td>Bangalore only (Airtel)</td> </tr> <tr> <td>3</td> <td>Gujarat</td> <td>1.6 MHz</td> <td>910.5 - 912.1/ 955.5 - 957.1</td> <td>Ahmedabad (Vodafone)</td> </tr> <tr> <td>4</td> <td>Punjab</td> <td>1.6 MHz</td> <td>910.5 - 912.1/ 955.5 - 957.1</td> <td>Chandigarh & Ludhiana only (Airtel)</td> </tr> <tr> <td>5</td> <td>Maharashtra</td> <td>1.6 MHz</td> <td>910.5 - 912.1/ 955.5 - 957.1</td> <td>- (Idea)</td> </tr> </tbody> </table> <p>However, as per annexure 2B, the said frequency spots have been indicated to be available in entire LSA.</p>	S No	LSA	Quantum	Frequency range (MHz)	Allocated in (Operator)	1	AP	1.6 MHz	910.5 - 912.1/ 955.5 - 957.1	Hyderabad only (Airtel)	2	Karnataka	1.6 MHz	910.5 - 912.1/ 955.5 - 957.1	Bangalore only (Airtel)	3	Gujarat	1.6 MHz	910.5 - 912.1/ 955.5 - 957.1	Ahmedabad (Vodafone)	4	Punjab	1.6 MHz	910.5 - 912.1/ 955.5 - 957.1	Chandigarh & Ludhiana only (Airtel)	5	Maharashtra	1.6 MHz	910.5 - 912.1/ 955.5 - 957.1	- (Idea)	Kindly refer to Amendment No.2 & 3 to this NIA.
S No	LSA	Quantum	Frequency range (MHz)	Allocated in (Operator)																												
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>DoT is requested to confirm in respect of all the service areas that the frequency spots as indicated in Annexure 2B will be available in entire LSA.</p>	
123.	<p>Harmonization in 1800 MHz band to make available contiguous spectrum: DoT vide the Feb, 14 auctions and the current auction is auctioning spectrum in 1800 MHz band. A major chunk of the same is non-contiguous and cannot be used for deployment of newer technologies. Therefore, harmonization of the spectrum is extremely critical for the use of the spectrum by the operators.</p> <p>Further, in order to plan their networks, operators require a timeline by which the allocated spectrum will be made contiguous so that they can deploy newer technologies like LTE on the spectrum acquired in 1800 MHz band.</p> <p>DoT is requested to kindly indicate timelines by which the harmonization exercise will be completed for the spectrum in 1800 MHz band.</p>	<p>Harmonization of spectrum is an ongoing exercise.</p>
124.	<p>Gap between Mock Auction and Start of Auction: As per the timetable, indicated in Clause 1.4, there is no gap between the Mock Auction and the Start of the Auction.</p> <p>It is submitted that consequent to the mock auction, the bidder may be required to make some technical changes/corrections which may arise during the mock auction. It is therefore essential to have some time gap between the end of mock auction and the start of the auction.</p> <p>DoT is requested to kindly provide a gap of at least two days between end of mock auction and start of auction.</p>	<p>Kindly refer to Amendment No.3 to NIA. Further, handholding sessions for familiarization with Auction engine would be provided to pre-qualified bidders before mock auction, (session time/dates and details would be intimated to</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																								
		pre-qualified bidders by Auction Administrator).																																								
125.	<p>EMD requirement as per Table 5-H and 5-J:</p> <p>Tables 5-H & 5-J shows the amount of EMD required to be submitted by the bidders. It is observed that the EMD amount has been significantly increased as compared to last auction in Feb, 2014. Following table shows the quantum of increase in EMD requirement:-</p> <table border="1"> <thead> <tr> <th>Feb '14 Auction</th> <th>900 MHz</th> <th>1800 MHz</th> <th>800 MHz</th> </tr> </thead> <tbody> <tr> <td>No. of Circles</td> <td>3</td> <td>22</td> <td>-</td> </tr> <tr> <td>RP per block (In Rs. Cr.)</td> <td>813.0</td> <td>353.0</td> <td>-</td> </tr> <tr> <td>EMD per block (In Rs. Cr.)</td> <td>87.8</td> <td>76.8</td> <td>-</td> </tr> <tr> <td>EMD as % to RP</td> <td>10.8%</td> <td>21.7%</td> <td>-</td> </tr> <tr> <th>NIA Jan'15</th> <th>900 MHz</th> <th>1800 MHz</th> <th>800 MHz</th> </tr> <tr> <td>No. of Circles</td> <td>17</td> <td>15</td> <td>20</td> </tr> <tr> <td>RP per block (In Rs. Cr.)</td> <td>679.8</td> <td>285.0</td> <td>4,278.8</td> </tr> <tr> <td>EMD per block (In Rs. Cr.)</td> <td>200.5</td> <td>94.5</td> <td>665.0</td> </tr> <tr> <td>EMD as % to RP</td> <td>29.5%</td> <td>33.2%</td> <td>15.5%</td> </tr> </tbody> </table> <p>It is clear from the above tables that:</p> <ul style="list-style-type: none"> • EMD amount as % of reserve price has been increased significantly. • EMD for 900/1800 MHz band is almost double of EMD for 800 MHz band. • The EMD amount in some circles namely UP(East), UP(West) & HP in respect of 1800 MHz band is as high as 54-56% of the Reserve Price. • EMD is higher than upfront payment in some cases <p>DoT is requested to correct this anomaly by reducing the EMD requirement at a reasonable of 10% of reserve price for all bands uniformly since there is no justification for having</p>	Feb '14 Auction	900 MHz	1800 MHz	800 MHz	No. of Circles	3	22	-	RP per block (In Rs. Cr.)	813.0	353.0	-	EMD per block (In Rs. Cr.)	87.8	76.8	-	EMD as % to RP	10.8%	21.7%	-	NIA Jan'15	900 MHz	1800 MHz	800 MHz	No. of Circles	17	15	20	RP per block (In Rs. Cr.)	679.8	285.0	4,278.8	EMD per block (In Rs. Cr.)	200.5	94.5	665.0	EMD as % to RP	29.5%	33.2%	15.5%	Kindly refer to Amendment No.2 to this NIA.
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RP per block (In Rs. Cr.)	813.0	353.0	-																																							
EMD per block (In Rs. Cr.)	87.8	76.8	-																																							
EMD as % to RP	10.8%	21.7%	-																																							
NIA Jan'15	900 MHz	1800 MHz	800 MHz																																							
No. of Circles	17	15	20																																							
RP per block (In Rs. Cr.)	679.8	285.0	4,278.8																																							
EMD per block (In Rs. Cr.)	200.5	94.5	665.0																																							
EMD as % to RP	29.5%	33.2%	15.5%																																							

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																						
	differential EMDs for bands.																							
126.	<p>Reserve Price of 900 MHz band as per Table 5-B of the NIA: TRAI had determined the value of 900 MHz band as Rs. 338.64 Crs /MHz and Rs. 357.15 Crs/ MHz in AP and Karnataka service areas, respectively. Based on this, the reserve price is recommended to be Rs. 271 Crs/ MHz and Rs. 286 Crs/ MHz for AP & Karnataka service areas, respectively.</p> <p>However, there seems to be an arbitrary price increase (even beyond the value prescribed by TRAI) for service areas like Andhra Pradesh and Karnataka. The reserve price stated in the NIA is Rs. 459 Crs/MHz and Rs.370 Crs/ MHz for AP & Karnataka, respectively, which is even higher than the value of the spectrum arrived by TRAI using various models for valuation. Therefore, there is no rationale of keeping the reserve price higher than the value recommended by TRAI.</p> <p>DoT is requested to correct the reserve price of 900 MHz band for AP & Karnataka.</p>	No change in NIA condition.																						
127.	<p>EMD & Eligibility Points: The table below indicates the Reserve Price, EMD and Eligibility points in respect of 900 MHz and 1800 MHz band.</p> <table border="1"> <thead> <tr> <th rowspan="2">Sl. No.</th> <th rowspan="2">Name of Telecom Circle / Metro Service Area</th> <th colspan="3">900 MHz band</th> <th colspan="3">1800 MHz Band</th> </tr> <tr> <th>Reserve Price per Block (In INR in Cr.)</th> <th>Required Deposit per Block (In INR in Cr.)</th> <th>Eligibility Points per Block</th> <th>Reserve Price per Block (In INR in Cr.)</th> <th>Required Deposit per Block (In INR in Cr.)</th> <th>Eligibility Points per Block</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Sl. No.	Name of Telecom Circle / Metro Service Area	900 MHz band			1800 MHz Band			Reserve Price per Block (In INR in Cr.)	Required Deposit per Block (In INR in Cr.)	Eligibility Points per Block	Reserve Price per Block (In INR in Cr.)	Required Deposit per Block (In INR in Cr.)	Eligibility Points per Block									Kindly refer to Amendment No.2 to this NIA.
Sl. No.	Name of Telecom Circle / Metro Service Area			900 MHz band			1800 MHz Band																	
		Reserve Price per Block (In INR in Cr.)	Required Deposit per Block (In INR in Cr.)	Eligibility Points per Block	Reserve Price per Block (In INR in Cr.)	Required Deposit per Block (In INR in Cr.)	Eligibility Points per Block																	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query								Response
	1	Andhra Pradesh	91.8	24.3	143.0	33.8	10.5	58.0	
	2	Bihar	29.6	10.5	58.0	12.4	5.0	25.0	
	3	Gujarat	84.8	24.3	143.0	47.6	10.5	58.0	
	4	Haryana	15.2	5.0	25.0	6.4	2.3	10.0	
	5	Himachal Pradesh	5.4	2.3	10.0	1.8	1.0	4.0	
	6	Karnataka	74.0	24.3	143.0	37.0	10.5	58.0	
	7	Kerala	33.6	10.5	58.0	15.0	5.0	25.0	
	8	North East	5.8	2.3	10.0	2.2	1.0	4.0	
	9	Odisha	13.4	5.0	25.0	4.6	2.3	10.0	
	10	Punjab	30.2	10.5	58.0	14.2	5.0	25.0	
	11	Rajasthan	39.4	10.5	58.0	12.0	5.0	25.0	
	12	Uttar Pradesh (East)	45.6	10.5	58.0	19.4	10.5	58.0	
	13	Uttar Pradesh (West)	34.0	10.5	58.0	19.0	10.5	58.0	
	<p>It can be seen from the table above that while EMD and Eligibility points are higher for 900 MHz compared to 1800 MHz in any particular service area, the same is not the case in respect of UP(East) and UP(West) service areas wherein the EMD and eligibility points for both 900 MHz and 1800 MHz band are equal.</p> <p>It appears to be an error and hence DoT is requested to correct the same.</p>								
128.	<p>Eligibility Points: Presently,</p>								Kindly refer to Amendment No.2

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<ul style="list-style-type: none"> - the eligibility points per block in respect of 1800 MHz band and 900 MHz band in the service areas have the following values i.e. 4, 10, 25, 58 & 143. - the eligibility points per block in respect of 800 MHz band have the following values i.e. 58, 143, 224, 377 & 462 <p>It can be seen that the eligibility points in different service area are not in multiple of the minimum/ lowest eligibility points. For example: presently, 1 block of 900 MHz in AP is worth 143 points as compared to a 900 MHz block in Bihar which is 58 points. Thus, a bidder moving from say AP circle will be able to bid for two blocks in Bihar LSA but will lose 27 (143-116) points in the process. Consequently, it will not be able to return back to bidding 1 block in AP circle in case of an excess demand in Bihar.</p> <p>Eligibility Points per block should be in multiple of the lowest block to allow easy switching between service areas else there will always be some left over points and no switching will be possible.</p> <p>It is, therefore, recommended that the eligibility points be in multiples of say 5 with eligibility points for different service areas per block being i.e. 5, 10, 25, 50, 100, 125 etc.</p> <p>DoT is requested to consider this aspect and amend the eligibility points in respect of different bands and service areas.</p>	<p>to this NIA.</p>
129.	<p>Clause 4.10 & 4.11 on Spectrum Sharing and Spectrum Trading DoT is requested to indicate the timelines by which the guidelines on Spectrum Sharing and Spectrum Trading is likely to be issued.</p>	<p>Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																												
130.	<p>In reference to the auction of spectrum concluded in Feb, 2014, it is submitted that 1.6 MHz of spectrum ranging from 1715.3 – 1716.9 MHz /1810.3 – 1811.9 MHz is learnt to have been allocated to Vodafone in Gujarat despite it being allocated and in use by Airtel since last 12 years in various towns of Baruch and Rajkot district. The issue is yet to be resolved. Again, in the present NIA, following frequencies presently allocated to Airtel have been included for auction:-</p> <table border="1"> <thead> <tr> <th>S No</th> <th>Service Area</th> <th>Frequency Range put to auction in the NIA (MHz)</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>UP (East)</td> <td>890.1-896.3/ 935.1-941.3</td> <td>Presently allocated to Airtel in entire service area</td> </tr> <tr> <td>2</td> <td>Bihar</td> <td>890.1-896.3/ 935.1-941.3</td> <td>Presently allocated to Airtel in entire service area</td> </tr> <tr> <td>3</td> <td>Orissa</td> <td>890.1-896.3/ 935.1-941.3</td> <td>Presently allocated to Airtel in entire service area</td> </tr> <tr> <td>4</td> <td>Assam</td> <td>894.5-896.3/ 939.5-941.3</td> <td>Presently allocated to Airtel in entire service area</td> </tr> <tr> <td>5</td> <td>Gujarat</td> <td>1732.9-1733.1/ 1827.9-1828.1</td> <td>Presently allocated to Airtel in Ahmedabad, Baruch & Rajkot district</td> </tr> <tr> <td>6</td> <td>Karnataka</td> <td>1744.5-1744.7/ 1839.5-1839.7</td> <td>Allocated to Airtel for entire LSA in Oct, 14 (Feb, 14</td> </tr> </tbody> </table>	S No	Service Area	Frequency Range put to auction in the NIA (MHz)	Remarks	1	UP (East)	890.1-896.3/ 935.1-941.3	Presently allocated to Airtel in entire service area	2	Bihar	890.1-896.3/ 935.1-941.3	Presently allocated to Airtel in entire service area	3	Orissa	890.1-896.3/ 935.1-941.3	Presently allocated to Airtel in entire service area	4	Assam	894.5-896.3/ 939.5-941.3	Presently allocated to Airtel in entire service area	5	Gujarat	1732.9-1733.1/ 1827.9-1828.1	Presently allocated to Airtel in Ahmedabad, Baruch & Rajkot district	6	Karnataka	1744.5-1744.7/ 1839.5-1839.7	Allocated to Airtel for entire LSA in Oct, 14 (Feb, 14	Kindly refer to Amendment No.2 & 3 to this NIA.
S No	Service Area	Frequency Range put to auction in the NIA (MHz)	Remarks																											
1	UP (East)	890.1-896.3/ 935.1-941.3	Presently allocated to Airtel in entire service area																											
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p style="text-align: right;">auctions)</p> <p>In view of above, DoT is requested to:</p> <ul style="list-style-type: none"> - Correct the above mentioned spots in Annexure 2A - Verify and confirm that the frequency spots being put to auction have not been already allocated and in use by some other operator. 	
131.	<p>Roll Out Obligations</p> <p>Clause 3.6.1 (iv) (a) of Roll Out Obligations state the following:</p> <p><i>“...However, all Unified Access Service Licensees who had won additional spectrum in November, 2012 auction and whose UASL has already been amended to include roll-out obligation as defined in Phase 3 to Phase 5 above, will not be required to undertake the additional roll-out obligation other than what has already been specified as per amendment issued in June, 2013 to their UASL in this respect.”</i></p> <p>It is submitted that additional roll-out obligations should not be applicable to the licensees who have won spectrum in Mar, 13 and Feb, 14 and whose licenses have been amended to include the same.</p> <p>DoT is therefore requested to kindly amend the clause and include the spectrum won in Mar, 13 and Feb, 14 auctions.</p>	NIA is self-explanatory.
132.	<p>In the Feb, 14 auctions, DoT indicated clearly the 5 MHz block that will be allocated in 900 MHz band basis the ranking of operators as indicated below:</p> <p><i>“Regarding allocation of 5 MHz blocks in 900 MHz, it is further clarified that allocation of 5 MHz blocks will be done in the following order, as per the ranks of such bidders who win 5 MHz block spectrum:-</i></p>	Kindly refer to Amendment No.3 to this NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>Mumbai:</p> <ol style="list-style-type: none"> 1. 910-914.8 MHz 2. 895.2-900 MHz 3. 890.2-895 MHz <p>Delhi:</p> <ol style="list-style-type: none"> 1. 900.2-905 MHz 2. 895.2-900 MHz 3. 890.2-895 MHz <p>Kolkata:</p> <ol style="list-style-type: none"> 1. 895.2-900 MHz 2. 890.2-895 MHz” <p>This gives better visibility to the operators in terms of the 900 MHz blocks that will be allocated consequent to their rankings in the auction.</p> <p>DoT should adopt the same rationale and the information in respect of the blocks that will be allocated consequent to the rankings in each service area be made known in advance.</p> <ul style="list-style-type: none"> - DoT is therefore, requested to kindly provide similar confirmation for all services areas for 900 MHz, 1800 MHz and 800 MHz band. - DoT is also requested to clarify, how the spectrum allocation take place among 	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																
	bidders in circles with partial spectrum availability across circle?																	
133.	<p>As per clause 2.1 (b) (IV)</p> <p><i>“The existing licensees whose licenses are not expiring in 2015-16 and holding spectrum in 900 MHz band in a service area may be allowed to bid for a minimum of 0.6 MHz (paired).”</i></p> <p>In case an existing operator holding spectrum in 900 MHz band bids for spectrum in 900 MHz band, DoT is requested to state the mechanism for making the spectrum allocated via auction contiguous along with the present (administrative) spectrum holding in line with the special dispensation given to 800 MHz operators vide clause 3.10</p>	No change in NIA condition.																
134.	<p>Resources Transfer:</p> <p>DoT may please confirm that the clearances and approvals already taken by the companies/licensees, whose licenses are due for extension in 2015-16, will continue to be valid and applicable and will not have to be applied/taken afresh. This is important to ensure continuity and quality of service to consumers. Some the clearances and approvals include, inter alia:</p> <table border="1" data-bbox="415 966 1480 1372"> <thead> <tr> <th data-bbox="415 966 506 1071">S. No</th> <th data-bbox="506 966 1480 1071">Particulars</th> </tr> </thead> <tbody> <tr> <td data-bbox="415 1071 506 1117">1</td> <td data-bbox="506 1071 1480 1117">Frequencies for Microwave Backhaul (MW Access and Backbone carriers)</td> </tr> <tr> <td data-bbox="415 1117 506 1162">2</td> <td data-bbox="506 1117 1480 1162">Access codes, MSC codes</td> </tr> <tr> <td data-bbox="415 1162 506 1208">3</td> <td data-bbox="506 1162 1480 1208">MCC & MNC Codes</td> </tr> <tr> <td data-bbox="415 1208 506 1253">4</td> <td data-bbox="506 1208 1480 1253">SP Codes</td> </tr> <tr> <td data-bbox="415 1253 506 1299">5</td> <td data-bbox="506 1253 1480 1299">Mobile / Fixed Line Numbering Series</td> </tr> <tr> <td data-bbox="415 1299 506 1344">6</td> <td data-bbox="506 1299 1480 1344">Telemarketing numbering series</td> </tr> <tr> <td data-bbox="415 1344 506 1372">8</td> <td data-bbox="506 1344 1480 1372">Location Routing Number (LRN) codes</td> </tr> </tbody> </table>	S. No	Particulars	1	Frequencies for Microwave Backhaul (MW Access and Backbone carriers)	2	Access codes, MSC codes	3	MCC & MNC Codes	4	SP Codes	5	Mobile / Fixed Line Numbering Series	6	Telemarketing numbering series	8	Location Routing Number (LRN) codes	In this respect, NIA and Amendment to the UL guidelines are self-explanatory.
S. No	Particulars																	
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																						
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9	SACFA clearance certificates																							
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135.	<p>Annexure to the application as indicated via clause 8.3.1.1</p> <p>The Annexure to the application requires the applicant to submit its status as that of an existing licensee/ new entrant. In this regard, it is submitted that the status of the applicant being an existing licensee/ new entrant is dependent upon various spectrum band.</p> <p>DoT is therefore requested to make necessary amendments in respect of the annexure to the Application (Clause 8.3.1.1) to incorporate various spectrum bands.</p>	To be provided band-wise, kindly refer to Amendment No.3 to this NIA.																						
136.	<p>Clause (f) of the Undertaking in respect of Service Area(s) where neither the Applicant nor any of its Associated Licensees has an existing UASL/ CMTSL/ UL(AS)/Unified licence with authorisation for access service at Section 8.3.3 states as below:</p> <p><i>“(f) That in case an application for a Unified Licence with authorisation of access service in</i></p>	Kindly refer to Amendment No. 3 to this NIA.																						

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p><i>specified service area(s)/ authorisation of access service in specified service area(s) by the Nominated License Applicant /New Entrant Nominated Unified License Applicant has not been made within seven (7) days of the Applicant being declared a Successful applicant, the Government shall have the right to curtail / revoke the spectrum;</i></p> <p>In this regard, it is submitted that as per Supplementary Queries & Responses dated 13th January, 2014, DoT clarified via Query No. 5 that “Successful applicant” may be read as “Successful bidder”.</p> <p>DoT is requested to make similar amendment in the present NIA.</p>	
137.	<p>Clause 2.3 (Technology) states the following:</p> <p><i>“If the auction determined price is more than one year old then the prevailing market rates would be determined by indexing the last auction process at the rate of SBI PLR”</i></p> <p>Similarly, Clause 2.1 in case of allotment of partial spectrum states the following:</p> <p><i>“Bid amount as mentioned above will be collected subject to the condition that the amount to be collected in future at the time of providing balance spectrum would be the balance prorated bid amount indexed on the SBI PLR prevalent for the period between finalisation of bid price and actual allocation made.”</i></p> <p>In both the scenario of spectrum being liberalised at a future date or payment for partial spectrum, the SBI PLR is being used for indexing the auction determined price.</p> <p>DoT is requested to kindly consider the indexation of the prices with the SBI Base Rate as against SBI PLR since the SBI Base Rate reflects the actual borrowing cost of government and operators.</p>	No change in NIA conditions.
138.	<p>Clause 2.1 in case of allotment of partial spectrum states the following:</p> <p><i>“Bid amount as mentioned above will be collected subject to the condition that the amount</i></p>	Kindly refer to Amendment No. 3

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p><i>to be collected in future at the time of providing balance spectrum would be the balance prorated bid amount indexed on the SBI PLR prevalent for the period between finalisation of bid price and actual allocation made.”</i></p> <p>DoT is requested to kindly clarify the deferred payment methodology in case of allotment of partial spectrum with an example.</p>	to this NIA.
139.	<p>The licenses due for extension in 2015-16 are being termed as New Entrants and the New Entrants are being asked to furnish an Undertaking vide Clause 8.3.3 to obtain a Unified License.</p> <p>DoT is requested to kindly clarify that only the Group Bidding Entity is required to furnish the above undertaking on behalf of the Associated Licensee also in cases where the licenses are expiring in 2015-16.</p>	NIA is self-explanatory.
140.	<p>2100 MHz auction:</p> <p>The NIA mentions that <i>“The details regarding 2100 MHz band will be issued later.”</i></p> <p>In this regard it is submitted that the details in respect of 2100 MHz would include:</p> <ul style="list-style-type: none"> - the quantum of spectrum being put to auction; - the reserve price of auction; - categorization of operators; - eligibility of operators; - rollout obligations; - provision of making new and existing spectrum allocation in 2100 MHz contiguous; - associated overall spectrum caps and band specific caps; - associated EMD, Eligibility points, price increments; - effective date of spectrum; - spectrum usage charges etc. 	Kindly refer to Amendment No.1 and Amendment No.2 to this NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>The details may require further clarification and amendments.</p> <p>DoT is therefore requested the following:</p> <ul style="list-style-type: none"> - Provide sufficient time to the bidders for raising queries subsequent to DoT furnishing the details in respect of 2100 MHz band. - Provide at least 15 days for submission of application from the date of issuance of all clarifications in order to enable the prospective bidders to take an informed decision. 	
141.	<p>Clause 4.5 (Payment Terms)</p> <p>The licenses of some operators are due for extension in Dec, 2015 to Apr-2016. The effective date of spectrum allocation is also proposed to be from the date of expiry of existing licensees 2015-15 in respective service areas</p> <p>However as per the NIA, the winning bidder is required to pay for the spectrum acquired through the said auction upfront or through a deferred payment mechanism with an applicable rate of interest.</p> <p>Considering the fact that the license of the existing players is valid up to Dec, 2015 – Apr, 2016, the successful bidders, who would get spectrum in this auction, should be provided with an option of making the payment at the time of acquiring spectrum. This is more so in case of acquired spectrum having effective date as Apr, 2016 which is not even in the FY 2015-16 i.e. two financial years later.</p> <p>DoT is therefore requested to give the option of paying for the acquired spectrum in 900 MHz band at a later date i.e. the effective date. This is more so in case of spectrum being made available in Apr, 2016 which lies in FY 2016-17. DoT for the time period may get the payment secured with a bank guarantee. Please clarify?</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
142.	<p>Clause 4.5 (a) states: <i>“Full upfront payment within 10 days of declaration of final price or pre-payment of one or more annual instalments; or”</i></p> <ul style="list-style-type: none"> - Does this mean that a successful bidder can prepay one of the instalments resulting from this auction, in case deferred payment option is availed. - DoT is requested to clarify the pre-payment with an example. 	NIA is self-explanatory.
143.	<p>Clause 4.5 (Payment Terms) For deferred payments the interest rate indicated is 10% fixed. Given the declining interest rate environment, can this rate be benchmarked to an external rate e.g. a SBI Base Rate or a GSEC rate that will reflect the base for a corporate’s cost of borrowing. This can be done periodically, say on an annual date. DoT is requested to clarify?</p>	No change in NIA conditions.
144.	<p>Clause 4.5 (Payment Terms) As per the clause in respect of deferred payment, the successful bidder is required to securitize the next instalment by way of an equivalent FBG.</p> <p>In this regard, it is submitted that clause 4.5 (b) (viii) & (x) already provide for penalties including termination of license and spectrum. Further, such FBGs cause a large burden on operators. DoT is requested to dispense with the requirement of securing an instalment by equivalent FBG</p>	No change in NIA conditions.
145.	<p>Clause 4.5 (Payment Terms) As per payment terms (upfront or deferred), payment has to be made within 10 days.</p> <p>In case the 10th day of payment is a Sunday/Holiday, then the payment date should be the next business day. DoT is requested to clarify.</p>	NIA is self-explanatory.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
146.	In the Feb 2014 auction, EMD wrt 900 MHz was on an average 11.7% of the RP on per MHz basis. In the current NIA released on 9 th January 2015, EMD for 900 MHz on per MHz basis is now working out to be 32.6% of the RP. In some of the circles like HP & WB, avg. EMD per MHz as %age of RP is as high as 42% and 47 % respectively. Similarly, for 1800 MHz average EMD per MHz as a percentage of RP has increased to 39% for Feb'15 auction as compared to an avg. of 27.7 % in Feb'14auction . In fact, EMD as %age of RP is as high as 55% in circles like UP (E) &UP (W). Clarity is required on the reason for such a high variance/increase in EMD from the previous auction?	Kindly refer to Amendment No.2 to this NIA.
147.	DoT vide its amendment to UL dated 13 Nov 2014 for 'Reassignment of resources on expiry of licenses to new UL' has allowed reassigning of coverage test certificates issued to existing licensees as part of compliance to roll out obligations. However current NIA is silent on this aspect. Please clarify?	Kindly refer para 3.2, 3.3 of NIA.
148.	DoT vide its amendment to UL dated 13 Nov 2014 for 'Reassignment of resources on expiry of licenses to new UL' has allowed ' Backhaul spectrum ' to be reassigned to existing licensee on migration to new UL. However current NIA is silent on this aspect. Please clarify?	Kindly refer para 3.2, 3.3 of NIA.
149.	RTL is currently holding 1.8 MHz of 1800 MHz in WB circle and the same is expiring in Dec 2015. However current NIA has not included this 1.8 MHz for auction. DoT may clarify the reason for not auctioning this spectrum in the forthcoming auction.	No change in NIA conditions.
150.	Clause 3.2(xii) on page 23 of the current NIA mandates ' 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 and whose Net-worth has been taken in to consideration for determining the eligibility for bidding for spectrum, till completion of 3 years from date of allotment of spectrum or till fulfilment of all roll out obligations whichever is later'.	Lock-in condition for promoters' equity will be applicable as per the NIA, if the existing licensee uses promoters' network for

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>A. Clarity is required if in case the group bidding entity bids in the auction and spectrum is assigned to the associated licensee then the lock in condition of 3 years will be applied to group bidding entity or only the associated licensee?</p> <p>B. DoT may kindly confirm in case of licencees whose licences are expiring in 2015 will not be subject to lock in period as their licence have already been existing for 20 years.</p>	<p>gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring licenses as well.</p>
151.	<p>A TSP as an existing licensee since 1997 in various circles including Mumbai. In case, it wants to bid for 2100 MHz in Mumbai where it has only spectrum bands of 800 & 1800 MHz, it would be deemed a New Entrant. It has negative networth. So it uses its promoters' networth to become eligible to bid. Para 3.2 (xii) in NIA, reads as follows“....<i>Further, these conditions are <u>not applicable to existing licensees</u> with effective date of license as three years prior to date of allotment of spectrum as per terms and conditions of this NIA and period of license of existing operators as on date of auction shall be counted towards Lock-in period while being treated as new entrant for that service area. The lock-in period commences from the effective date as defined in NIA</i>”.</p> <p>Given that TSP's license in Mumbai is greater than 3 years old, it wants to bid for 2100 MHz in Mumbai where it has only 800 & 1800 MHz, it uses its promoters' networth to gain eligibility, please clarify that lock-in provisions to its promoters' equity in the Company will not apply?</p>	<p>Lock-in condition for promoters' equity will be applicable as per the NIA, if the existing licensee uses promoters' networth for gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring licenses as well.</p>
152.	<p>Clause 4.10 of NIA on spectrum sharing states that only the liberalized spectrum will be allowed to share. Clarity is required on this aspect as TRAI guidelines have already allowed sharing of non liberalized spectrum?</p>	<p>Spectrum sharing trading guidelines are under consideration &will</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
		be issued in due course, which may not necessarily be before the Auction.
153.	<p>DOT is auctioning 800 MHz spectrum in 20 circles with high reserve price of the spectrum as compared to the last auction, there may not be very active participation by the operators for acquiring 800 MHz spectrum in all the 20 circles. DOT vide this NIA has also permitted liberalization of 800 MHz spectrum by paying the auction determined price on pro rata basis for the balance period of the validity of the spectrum.</p> <p>DOT may kindly confirm that the price for liberalization of spectrum will be the Reserve Price instead of the auction determined price in respect of the circles where the spectrum will not be bid by any of the operators.</p>	NIA is self-explanatory.
154.	<p>As per the current NIA clause 3.9 (a), TSPs would be allowed to convert their existing spectrum holding in 800 MHz <i>into liberalized spectrum only for the balance validity period of the spectrum assignment on payment of the auction determined amount. Please confirm:</i></p> <p>A. When and how the conversions of the existing spectrum to liberalized spectrum happen?</p> <p>B. Will it happen concurrently with the conclusion of the February 2015 auction or liberalization happen after the auction?</p> <p>C. When does the TSP need to effect the payment for liberalization of the spectrum? What about the credit for the price paid to get the License i.e., the operators have</p>	NIA is self-explanatory.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>earlier paid (Rs 1658 crore per technology for pan India) for acquiring these spectrum, will this amount be adjusted while converting existing holdings into liberalized one?</p> <p>D. If a TSP wins 800 MHz spectrum in this auction which is liberalized and makes the currently held 800 MHz spectrum obtained through administrative allocation liberalized after paying the price differential, then its exiting spectrum and spectrum acquired through auction will be made contiguous as DoT is obliged to make this happen by whatever means necessary?</p> <p>E. Is liberalization of existing spectrum and to make this contiguous with the spectrum acquired through current auction is contingent upon any other terms to be full filled by the operators apart from effecting payment?</p> <p>F. Is there a fixed time frame to get the existing 800 MHz band liberalized after making the payment? Particularly, in view of the past instance when the DoT has taken 12 months to allocate the spectrum won in the last auction.</p> <p>G. Whether the conversion of the existing spectrum to liberalize can happen at LSA wise and quantum wise as per the option exercised by the operator?</p> <p>H. If a TSP does not proceed with immediate liberalization of the existing spectrum and opt for it at a later date, how will the liberalization take place? Will the total liberalized spectrum (i.e., administrated allocated spectrum liberalized through payment of fee plus spectrum allocated through the February 2015 auction) be</p>	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	made contiguous then as DoT is obliged to make this happen as per terms of NIA?	
155.	The licenses of the CDMA operators are due for renewal in 2017 and onwards. DOT may clarify that the operators will be allotted spectrum in the existing 800 MHz band only and not 1900 MHz at the time of renewal as 1900 MHz spectrum reserved so far for the expansion of CDMA operators, will no longer be available as the same is being swapped with 2100 MHz.	Not related to present auction.
156.	As per NIA, there is no 800 MHz spectrum is being put to auction in Rajasthan and Kerala circles. DOT may kindly indicate the likely availability of this spectrum in near future.	Schedule of subsequent auctions will be indicated from time to time.
157.	The existing operators are allowed to bid for a minimum of 0.6 MHz of spectrum in 900 MHz and 1800 MHz bands and a minimum of 1.25 MHz in 800 MHz spectrum band. The validity of this additional spectrum is 20 years. The existing spectrum will in anyway be having validity much less than 20 years. It is possible that due to certain reasons, the operator is not able to acquire sufficient spectrum in the auction at the time of renewal and accordingly will be left with inadequate spectrum for the continuity of the services. DOT may kindly confirm that to take care of such exigencies , DOT will allow the operators to get their existing spectrum liberalized by paying the market determined price in instalments in line with the current payment framework, at any time before the expiry of the validity. The validity of this liberalized spectrum will be either coterminous with the validity of the spectrum acquired through auction or 20 years.	No change in NIA condition.
158.	Clause 3.6.1 (iii) & (iv) on page 26 of the NIA mandates, BHQ level coverage for meeting the Roll out obligations for the New and the existing Licensee. DoT may please confirm that self certificates from the licensees will be accepted for meeting the BHQ level Roll out coverage in case DOT still insist on testing to be done by TERM cell, self certified maps for the BHQ should	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	be accepted as BHQ level Maps have not been made available to licensees	
159.	DoT may please clarify that Roll out obligations met by a licensee for one band will be considered as compliance for the roll out obligation for another band in a same LSA i.e. can a Licensee be allowed to fulfill the roll out obligations via one band even if he has two or three set of frequency band in a given LSA.	No change in NIA conditions.
160.	Kindly refer to page 9 of the NIA - clause 2.1, regarding spectrum put up for auction. Kindly confirm whether all available spectrum in 2100/1800/900/800 MHz bands is being put up for auction as recommended by TRAI.	No change in NIA conditions.
161.	No spectrum has been identified or shown for 2100 MHz band. Kindly confirm that at least 4 blocks of 5 MHz spectrum are being put up for auction 2100 MHz band. The DoT would acknowledge that never before has an NIA been issued where a spectrum band stated in the Title Header is not detailed in the main document. Even the pre bid conference has been held based on an incomplete and partial NIA. a. Kindly inform the exact date on when all information necessary and critical for NIA would be available. b. In view of partial information available, another pre-bid meeting based on a complete NIA would be necessarily required. Please inform the date of the pre-bid conference. c. The timeline following the NIA can only start once the complete and correct NIA is issued. Besides the fact that there are no details pertaining to 2100 MHz in the NIA rendering it incomplete, the NIA also has several clear errors in spectrum details, EMD etc. and several anomalies, which are covered later. In light of this a new timeline is required providing adequate time (last time the gap was 53 days from Dec 12, 2013 to February 3, 2014) from the issue of complete and accurate NIA to the start of auction. Please inform the revised timetable for the auction based on the complete NIA.	NIA is self-explanatory. a., b. and c. Kindly refer to Amendment No.1 and Amendment No.2 to this NIA.
162.	TRAI in its recommendation dated 15.10.2014 has recommended that DoT should announce the roadmap for auction of 700 MHz before the conduct of auction 900/1800 MHz band. Please provide details on spectrum availability and auction roadmap for 700 MHz spectrum band.	Schedule of subsequent auctions will be notified separately.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																
163.	<p>Please refer page 45 of the NIA - clause 4.10, on spectrum sharing and clause 4.11 on spectrum trading. The DoT has stated that the guidelines would be issued in due course. The same query was asked by several bidders during earlier auctions too and the response from DoT was as under :</p> <table border="1" data-bbox="394 467 1486 938"> <thead> <tr> <th data-bbox="394 467 506 500">Auction</th> <th data-bbox="506 467 682 500">Document</th> <th data-bbox="682 467 1052 500">Query</th> <th data-bbox="1052 467 1486 500">Response</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 500 506 716">Nov'12 Auction</td> <td data-bbox="506 500 682 716">Queries & Responses 18th September, 2012</td> <td data-bbox="682 500 1052 716">Request confirmation whether spectrum sharing/ transfer shall be allowed.</td> <td data-bbox="1052 500 1486 716">Operators whose entire spectrum holding in a particular band (900 / 1800 & 300 MHz) is / has been liberalized, would be permitted to share spectrum without any additional onetime spectrum charge. Detailed guidelines regarding sharing of spectrum and one time charges payable for liberalizing spectrum currently held would be issued in due course.</td> </tr> <tr> <td data-bbox="394 716 506 824">Mar'13 Auction</td> <td data-bbox="506 716 682 824">Queries & Responses 20th February, 2013</td> <td data-bbox="682 716 1052 824">When will DoT announce spectrum sharing guidelines?</td> <td data-bbox="1052 716 1486 824">Detailed guidelines regarding sharing of spectrum would be issued in due course.</td> </tr> <tr> <td data-bbox="394 824 506 938">Feb'14 Auction</td> <td data-bbox="506 824 682 938">Queries & Responses 2nd January, 2014</td> <td data-bbox="682 824 1052 938">Please clarify the spectrum pooling /leasing policy for the spectrum put to auction before the auction so that Bidders can make informed decision.</td> <td data-bbox="1052 824 1486 938">The spectrum trading and sharing guidelines will be as notified by the government from time to time.</td> </tr> </tbody> </table> <p>Thus despite repeated commitments in past auctions, no guidelines on spectrum sharing and spectrum transfer have been issued by DoT. More than a year has elapsed since the last NIA was issued and we cannot have auction after auction without clarity on basic policy applicable to the resource being auctioned, especially when sufficient time has elapsed since the TRAI sent its recommendations on the subjects. In view of the above, kindly confirm guidelines will be issued before the start of the auction so that operators can participate with clarity on policy and in any case provide a time frame for issuance of guidelines on spectrum sharing and trading.</p>	Auction	Document	Query	Response	Nov'12 Auction	Queries & Responses 18th September, 2012	Request confirmation whether spectrum sharing/ transfer shall be allowed.	Operators whose entire spectrum holding in a particular band (900 / 1800 & 300 MHz) is / has been liberalized, would be permitted to share spectrum without any additional onetime spectrum charge. Detailed guidelines regarding sharing of spectrum and one time charges payable for liberalizing spectrum currently held would be issued in due course.	Mar'13 Auction	Queries & Responses 20th February, 2013	When will DoT announce spectrum sharing guidelines?	Detailed guidelines regarding sharing of spectrum would be issued in due course.	Feb'14 Auction	Queries & Responses 2nd January, 2014	Please clarify the spectrum pooling /leasing policy for the spectrum put to auction before the auction so that Bidders can make informed decision.	The spectrum trading and sharing guidelines will be as notified by the government from time to time.	Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.
Auction	Document	Query	Response															
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164.	Active and passive sharing are allowed as a policy. However no license amendment has happened on these till date. It is recommended that the same be done before start of the auction, so that bidders have clarity on use of Active sharing to plan for bidding. Please indicate	Infrastructure sharing is																

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	when the license amendment would be issued?	permitted as per extant guidelines/ license conditions.
165.	<p>Please refer page 31 of the NIA – Clause 3.7, states as under – 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. The present rates of SUC are as prescribed in letter nos. P-11014/18/2008-PP dated Feb 25th 2010 & P- 14010/01/2014-NTG dated 31st October 2014. Letter of Feb 25, 2010 specifies SUC rate for GSM Spectrum and CDMA spectrum. Letter of October 31, 2014 provides SUC rate for spectrum auctioned in Feb, 2014 (900 and 1800 MHz) and the principle of weighted average where applicable. Please confirm and provide clarity for the following –</p> <p>a. What is the rate applicable for spectrum to be auctioned in 2015? We understand that it is 5%, but it needs to be clearly stated to avoid any ambiguity for future.</p> <p>b. What is the rate applicable for 800 MHz spectrum being auctioned now (not covered in WPC/DoT letter</p> <p>c. The SUC rate for 2100 MHz spectrum auctioned in 2010 was stated as under – (i) Based on the applicable slab for holding of GSM / CDMA spectrum; OR (ii) 3% for a standalone 3G operator With renewal of licenses where applicable, no reference rate is available based on original GSM spectrum held. In such a case SUC rate for 2100 MHz will have to be separately used for determining the weighted average. Please confirm that this rate will be 3% based on the NIA of 2010 for auction of 2100 MHz spectrum.</p> <p>d. What will be the SUC rate applicable for 2100 MHz spectrum to be auctioned now?no. P-14010/01/2014-NTG dated 31.10.2014) – we understand that this is 5%, but this should be clarified.</p>	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.
166.	8. Please refer page 19 of the NIA, Clause 2.1 states as under –	No change in NIA

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

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	<p>“For the Service Areas, where the spectrum is not available in some of the districts, while the bids will be sought for spectrum in entire LSA, the bid amount will be collected only for the spectrum available and the balance collected as and when spectrum is made available in each District, the amount being pro-rated to the population of that district(s) (as of census of 2011) and the balance period (of the 20 years).</p> <p>Bid amount as mentioned above will be collected subject to the condition that the amount to be collected in future at the time of providing balance spectrum would be the balance prorated bid amount indexed on the SBI PLR prevalent for the period between finalization of bid price and actual allocation made.”</p> <p>The issues here are –</p> <p>a. The value of partial spectrum is being treated equal to the value of spectrum across the circle, which is not correct. An adjustment based on population is not enough to account for the loss of opportunity of not having the spectrum for the full service area. Also the auction design is flawed (which is separately covered) as the bidder has no way to know whether it will get full or partial spectrum. So in any case a winner of partial spectrum is being penalized by paying the same price per unit of covered population as the spectrum available across the service area.</p> <p>b. Having suffered this penalty once, on top of this the bidder is being penalized again by way of indexation at SBI PLR, which leads to a situation, where the winner lands up paying more on a PV basis using 10% discounting rate, by getting partial spectrum later as compared to what they would have paid as upfront pro-rata amount based on a definite future date of balance spectrum allocation. Hence, while the bidder is already suffering on account of the uncertainty, it is also being forced to pay a much higher amount because the government is not able to commit a date of availability of balance spectrum. The same is depicted as per table below :</p> <table border="1" data-bbox="388 1193 1564 1373"> <thead> <tr> <th>End of Year</th> <th>Pro-rata value without indexation</th> <th>Indexation factor SBI PLR @ 14.75% p.a.</th> <th>Indexed Value at</th> <th>Discount factor @ 10% p.a.</th> <th>PV of Indexed Pro rata amount</th> <th>Excess PV indexed payment over</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	End of Year	Pro-rata value without indexation	Indexation factor SBI PLR @ 14.75% p.a.	Indexed Value at	Discount factor @ 10% p.a.	PV of Indexed Pro rata amount	Excess PV indexed payment over								<p>conditions.</p>
End of Year	Pro-rata value without indexation	Indexation factor SBI PLR @ 14.75% p.a.	Indexed Value at	Discount factor @ 10% p.a.	PV of Indexed Pro rata amount	Excess PV indexed payment over										

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query						Response
							upfront - payment -
	1	2	3	4 = 2 x 3	5	6 = 4 x 5	7 = 6 - 2
	1	95%	1.1475	1.0901	0.9091	99%	4%
	2	90%	1.3168	1.1851	0.8264	98%	8%
	3	85%	1.5110	1.2843	0.7513	96%	11%
	4	80%	1.7338	1.3871	0.6830	95%	15%
	5	75%	1.9896	1.4922	0.6209	93%	18%
	6	70%	2.2831	1.5981	0.5645	90%	20%
	7	65%	2.6198	1.7029	0.5132	87%	22%
	8	60%	3.0062	1.8037	0.4665	84%	24%
	9	55%	3.4496	1.8973	0.4241	80%	25%
	10	50%	3.9585	1.9792	0.3855	76%	26%
	<p>In light of this we reiterate that there should be no indexation of price in case partial spectrum is allocated to a bidder. Our suggestions are that –</p> <p>(i) Bidding for full and partial spectrum should be done separately, as these are two different products and the value of these two products is different.</p> <p>(ii) Indexation should not be done. Indexation is relevant if the spectrum is given on a future date for a period of 20 years. In this case the spectrum withheld earlier is being just provided with a time lag only for the remaining period of the initial 20 year period. Even where indexation is relevant and applied, it should be done either based on a suitable measure of inflation or at most equal to the rate of interest for deferred payment option under the NIA i.e. 10%.</p> <p>Please confirm that the rate for indexation will be removed or changed as suggested and if not, please inform the rationale of using SBI PLR rate as opposed to an inflation index for such indexation.</p>						

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
167.	<p>Kindly refer to Page 72 of the NIA – Clause 5.4.6 - point with ** states as under – “** In any case, a bidder would be declared as a Provisional Winning Bidder only if he is allocated the minimum number of blocks required for each category of bidders for each of the Service Areas in each of the bands.”</p> <p>If an operator is bidding for 5MHz or more with the objective of deploying new technology then the operator at the time of placing the bid should have the option to accept or reject an allocation of less than 5MHz contiguous spectrum, as the allocation of less than 5MHz contiguous spectrum will have no value for that operator. Please confirm that this option will be available.</p> <p>For example if an existing operator who is using 1800 MHz for GSM wishes to acquire a 5 MHz contiguous block for deploying LTE, then that operator will have zero value for spectrum allocation of anything less than 5 MHz contiguous spectrum. Such an operator cannot use the spectrum for GSM as it already has what it needs for GSM and it cannot use it for LTE as a 5 MHz contiguous spectrum is not allocated. We request that this issue be addressed and operators at the time of application be allowed to mark the combination of circles and bands in which if they bid for 5 MHz or more, they are assured that the allocation will be atleast 5 MHz contiguous spectrum or else it will be zero. Please confirm.</p>	No change in NIA conditions.
168.	<p>Please refer to page 79 of the NIA - Clause 5.5 – Frequency Identification Stage</p> <p>While the NIA contains the details and logic regarding automatic identification of frequencies for the contiguous block of 5MHz, there is no mention of on what basis frequencies for “non-contiguous spectrum” will be allocated. NIA states that this will be on a random basis, but based on our analysis of Feb’14 auction results, this (random basis) was not followed in the last auction. The allocation in the last auction was done on the basis that “The highest ranked bidder who was to be given the non-contiguous spectrum was given the smallest block (s) and the lowest ranked bidders were given the largest block or where there was unsold spectrum the largest block was left unallocated. This can be seen based on spectrum allocation in Punjab, Haryana and there may be other cases”. This is grossly unfair, where the highest ranked bidder has been given the most fragmented spectrum from the non-contiguous blocks.</p> <p>We suggest that the logic for allocation of non-contiguous spectrum should not be on a</p>	Allocation of non-contiguous spectrum would be done on the basis of Ranking and best fit to the quantum of spectrum won. This is also applicable to the examples on pages 80, 81 and 82, in respect of

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response										
	<p>random basis and the logic should be just the opposite of that followed in the last auction i.e. the highest ranked bidder should be given allocation starting from the largest blocks and moving to the next largest band, so that the spectrum allocated to the highest bidder consists of minimum possible blocks. In any case the logic for allocation of frequency blocks should be transparently disclosed in the NIA. Please inform the logic for allocation of frequency blocks for non-contiguous spectrum to the winning bidders. the last auction. The allocation in the last auction was done on the basis that “the highest ranked bidder who was to be given the non-contiguous spectrum was given the smallest block (s) and the lowest ranked bidders were given the largest block or where there was unsold spectrum the largest block was left unallocated. This can be seen based on spectrum allocation in Punjab, Haryana and there may be other cases”. This is grossly unfair, where the highest ranked bidder has been given the most fragmented spectrum from the non-contiguous blocks.</p> <p>We suggest that the logic for allocation of non-contiguous spectrum should not be on a random basis and the logic should be just the opposite of that followed in the last auction i.e. the highest ranked bidder should be given allocation starting from the largest blocks and moving to the next largest band, so that the spectrum allocated to the highest bidder consists of minimum possible blocks. In any case the logic for allocation of frequency blocks should be transparently disclosed in the NIA. Please inform the logic for allocation of frequency blocks for non-contiguous spectrum to the winning bidders.</p>	<p>allocation of non-contiguous.</p>										
169.	<p>Please refer page 20 of the NIA - Clause 2.3, para 2 “Existing Licensees will be allowed to use the additional spectrum block(s) allotted through this auction to deploy any technology other than GSM/WCDMA/CDMA, by combining...”. Please confirm that LTE would be added along with GSM/WCDMA/CDMA.</p>	<p>No change in NIA conditions.</p>										
170.	<p>For auction in 800 MHz - In the last few years the number of subscribers on CDMA technology in 800 MHz have been constantly declining. Table on CDMA subscribers confirms the same :</p> <table border="1" data-bbox="388 1234 1134 1372"> <thead> <tr> <th></th> <th>Mar'12</th> <th>Mar'13</th> <th>Mar'14</th> <th>Jun'14</th> </tr> </thead> <tbody> <tr> <td>CDMA Base (in mn)</td> <td>105.11</td> <td>73.78</td> <td>57.10</td> <td>55.56</td> </tr> </tbody> </table>		Mar'12	Mar'13	Mar'14	Jun'14	CDMA Base (in mn)	105.11	73.78	57.10	55.56	<p>No change in NIA conditions.</p>
	Mar'12	Mar'13	Mar'14	Jun'14								
CDMA Base (in mn)	105.11	73.78	57.10	55.56								

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response										
	<p>Also the potential use of 800 MHz is for either LTE or for e GSM band (which can be used for WCDMA technology - would require changes in uplink, downlink and additional spectrum in 900 MHz band), which require contiguous blocks of 5 MHz. In light of this there is no rationale for auctioning 800 MHz band spectrum except in contiguous blocks of 5 MHz each. In light of this our suggestion is as under –</p> <p>a. Auction in 800 MHz band should be carried out only in those circles where 5 MHz contiguous blocks are currently available. These circles are currently Mumbai, MP, Assam and NESAs.</p> <p>b. In the remaining circles, 800 MHz spectrum should only be auctioned when more spectrum becomes available to give 5 MHz contiguous block either by expiry of licenses or vacation of spectrum by current users.</p> <p>In view of the above, please confirm the reasons and the rationale for not conducting the 800 MHz auction only for contiguous blocks of 5 MHz, whether now or later in view of the fact that there is currently no need of incremental spectrum in 800 MHz for CDMA and that the auction of smaller blocks results in sub-optimal use of spectrum and lack of full price discovery.</p>											
171.	<p>For auction in 800 MHz - If spectrum in blocks of less than 5 MHz in 800 MHz band will be auctioned now, it will result in sub-optimal utilization of this spectrum band and the true value of this spectrum will not be discovered. This can be seen from the following price discovery of 800 MHz in earlier auctions in comparison to the price of other spectrum bands. Both 800 MHz and 1800 MHz bands can be deployed for LTE. 800 MHz being a lower frequency band is significantly better. TRAI has used a multiple of 1.5 to 2 times for valuation of 900 MHz vis-a-vis 1800 MHz. The same multiple will also apply to 800 MHz as 800 MHz and 900 MHz are similar in their reach and so we have used an average of 1.75 for the above.</p> <table border="1" data-bbox="394 1161 1564 1369"> <thead> <tr> <th data-bbox="394 1161 619 1193">Service Area</th> <th data-bbox="619 1161 871 1307">Price of 800 MHz discovered in Mar'13 auction (Rs. Crs / MHz)</th> <th data-bbox="871 1161 1102 1307">Price of 1800 MHz discovered in Feb'14 auction (Rs. Crs./ MHz)</th> <th data-bbox="1102 1161 1354 1339">Derived value of 800 MHz by applying a multiple of 1.75 (Rs. Crs./ MHz)</th> <th data-bbox="1354 1161 1564 1339">Undervaluation of 800 MHz in Mar'13 based on non-contiguous blocks (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 1339 619 1369">Karnataka</td> <td data-bbox="619 1339 871 1369">171.7</td> <td data-bbox="871 1339 1102 1369">155.0</td> <td data-bbox="1102 1339 1354 1369">271.3</td> <td data-bbox="1354 1339 1564 1369">63.3%</td> </tr> </tbody> </table>	Service Area	Price of 800 MHz discovered in Mar'13 auction (Rs. Crs / MHz)	Price of 1800 MHz discovered in Feb'14 auction (Rs. Crs./ MHz)	Derived value of 800 MHz by applying a multiple of 1.75 (Rs. Crs./ MHz)	Undervaluation of 800 MHz in Mar'13 based on non-contiguous blocks (%)	Karnataka	171.7	155.0	271.3	63.3%	No change in NIA conditions.
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																			
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172.	<p>Please refer to page 20 of the NIA - clause 2.3 – para 2 relating to liberalization of spectrum states as under :</p> <p><i>“Existing CMTS/ UAS/UL(AS)/UL with access service authorization licensees can liberalize their existing spectrum holding in 1800 MHz/800 MHz band for the balance validity period of spectrum assignment after payment of auction determined price prorated for the balance</i></p>	No change in NIA conditions.																																			

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p><i>validity period of the Spectrum Assignment.”</i></p> <p>As has been explained in our query above, the true value of 800 MHz can be discovered only where contiguous blocks of 5 MHz are being put up for auction. As per our understanding, this was also the reason that while spectrum in 800 MHz band was auctioned in Mar’13, it was not considered as liberalized spectrum. Since the price discovered for blocks less than 5 MHz is not the value of true liberalized spectrum which can be deployed for new technologies, the said price discovered cannot be used as a basis for liberalization of spectrum. Hence, our suggestion is as under-</p> <p>a. 800 MHz spectrum should be auctioned only in service areas where 5 MHz contiguous blocks are available for auction. In such cases price discovered for 5 MHz contiguous spectrum can be used for liberalization of existing spectrum in 800 MHz band.</p> <p>It may be noted that in case of 900 MHz band and 1800 MHz band, in all service areas where liberalization is possible, the price applied is one at which at least one contiguous block of 5 MHz contiguous spectrum has been won in an auction. Hence, 800 MHz should follow the same principle and price discovered for non-contiguous spectrum of less than 5 MHz should not be used for liberalization.</p> <p>b. In case price of 5 MHz contiguous 800 MHz band spectrum is not available, then till the time such price becomes available, the price of 900 MHz discovered in Feb’14 or the forthcoming auctions can be used for liberalization of 800 MHz band spectrum.</p> <p>Kindly confirm this change. If this not being done, then please inform the rationale for difference in principle for liberalizing 900 / 1800 MHz spectrum and 800 MHz spectrum, which would give unfair advantage to current holders of 800 MHz band spectrum.</p>	
173.	<p>Kindly refer to page 13 of the NIA - clause 2.1 b) II. , The licensee is required to Bid for minimum 5 MHz in the service areas where the license is due for expiry. However, in case of North East service area, only 8.8 MHz is put to auction in 900MHz and 2 licenses are due for expiry. Based on the auction design, one of the licenses cannot renew his existing spectrum. The license</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																												
	<p>provided for extension for ten years at a time based on mutually agreed terms. However, the same is not being followed and the spectrum is being auctioned based on a unilateral decision of the Licensor despite written confirmation by licensees that they are willing to pay for extension based on market value of spectrum determined by TRAI. In this particular case, the holder of the expiring license with 4.4 MHz of 900 MHz spectrum is not even being given the opportunity of winning the 4.4 MHz spectrum held by him in the auction. One of the expiring licenses will be forced to lose the 900 MHz spectrum in the auction.</p> <p>Please confirm as to how the DoT proposes to resolve the above issue which is infringing on the right of the existing licensees to at least have an opportunity of winning back the expiring spectrum in the auction ?</p>																													
174.	<p>Please refer page 76 of the NIA – clause 5.4.9 on length of clock round. Since the proposed auction covers 20 circles for 800 MHz, 17 circles for 900 MHz, 15 circles for 1800 MHz and also 2100 MHz, we suggest that the duration of the clock round should be kept at least 1.30 hrs. Please confirm?</p>	<p>Kindly refer to Amendment No. 3 to this NIA</p>																												
175.	<p>Please refer page 89-91 of the NIA – table 5J and table 5K - The Price increase for 900/1800 MHz is different from the price increase for 800 MHz. The following table shows the difference in price increase given the same level of excess demand for these bands:</p> <table border="1" data-bbox="394 943 1144 1377"> <thead> <tr> <th data-bbox="394 943 598 1084">Price Increase for Excess Demand (In MHz)</th> <th data-bbox="598 943 787 1084">900/1800Mhz</th> <th data-bbox="787 943 976 1084">For 800 MHz</th> <th data-bbox="976 943 1144 1084">Difference</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 1084 598 1198">Less than ZERO(Negative)</td> <td data-bbox="598 1084 787 1198">0%</td> <td data-bbox="787 1084 976 1198">0%</td> <td data-bbox="976 1084 1144 1198">0%</td> </tr> <tr> <td data-bbox="394 1198 598 1230">1.0 MHz</td> <td data-bbox="598 1198 787 1230">1%</td> <td data-bbox="787 1198 976 1230">1%</td> <td data-bbox="976 1198 1144 1230">0%</td> </tr> <tr> <td data-bbox="394 1230 598 1263">1.2 MHz</td> <td data-bbox="598 1230 787 1263">2%</td> <td data-bbox="787 1230 976 1263">1%</td> <td data-bbox="976 1230 1144 1263">1%</td> </tr> <tr> <td data-bbox="394 1263 598 1295">2.4 MHz</td> <td data-bbox="598 1263 787 1295">3%</td> <td data-bbox="787 1263 976 1295">2%</td> <td data-bbox="976 1263 1144 1295">1%</td> </tr> <tr> <td data-bbox="394 1295 598 1328">3.6 MHz</td> <td data-bbox="598 1295 787 1328">4%</td> <td data-bbox="787 1295 976 1328">3%</td> <td data-bbox="976 1295 1144 1328">1%</td> </tr> <tr> <td data-bbox="394 1328 598 1377">5.0 MHz</td> <td data-bbox="598 1328 787 1377">5%</td> <td data-bbox="787 1328 976 1377">4%</td> <td data-bbox="976 1328 1144 1377">1%</td> </tr> </tbody> </table>	Price Increase for Excess Demand (In MHz)	900/1800Mhz	For 800 MHz	Difference	Less than ZERO(Negative)	0%	0%	0%	1.0 MHz	1%	1%	0%	1.2 MHz	2%	1%	1%	2.4 MHz	3%	2%	1%	3.6 MHz	4%	3%	1%	5.0 MHz	5%	4%	1%	<p>No change in NIA conditions.</p>
Price Increase for Excess Demand (In MHz)	900/1800Mhz	For 800 MHz	Difference																											
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>Greater than 6% 6% 0%</p> <p>6.25 up to 7.5 MHz</p> <p>Greater than 7% 7% 0%</p> <p>7.5 up to 8.75 MHz</p> <p>Greater than 8% 8% 0%</p> <p>8.75 up to 10.0 MHz</p> <p>Greater than 9% 9% 0%</p> <p>10.0 up to 11.25 MHz</p> <p>Greater than 10% 10% 0%</p> <p>11.25</p>	
176.	<p>Please refer to table 5I of the NIA, the Ratio of EMD required for 900 MHz is very high compared to the requirement in the last spectrum auction (Feb'14). Further the EMD required for 800 MHz is lower compared to 900MHz in relation to the Reserve Price to which it should be correlated. The following tables reflects the difference in the EMD.</p>	<p>Kindly refer to Amendment No. 2 to this NIA.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

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	<table border="1"> <thead> <tr> <th></th> <th>900 MHz</th> <th>800 MHz</th> </tr> </thead> <tbody> <tr> <td colspan="3">1. Feb '14 Auction</td> </tr> <tr> <td>No. of Circles</td> <td>3</td> <td>-</td> </tr> <tr> <td>RP per block</td> <td>£13</td> <td>-</td> </tr> <tr> <td>EMD per block</td> <td>88</td> <td>-</td> </tr> <tr> <td>EMD as % to RP</td> <td>10.8%</td> <td>-</td> </tr> <tr> <td colspan="3">2. NIA Jan'15</td> </tr> <tr> <td>No. of Circles</td> <td>17</td> <td>20</td> </tr> <tr> <td>RP per block</td> <td>680</td> <td>4,279</td> </tr> <tr> <td>EMD per block</td> <td>201</td> <td>665</td> </tr> <tr> <td>EMD as % to RP</td> <td>29.5%</td> <td>15.5%</td> </tr> </tbody> </table> <p>The ratio of EMD and Reserve Price should be aligned as per the last auction and in no case should there be a difference between the ratios across spectrum bands. Please confirm that DoT will correct this anomaly.</p>		900 MHz	800 MHz	1. Feb '14 Auction			No. of Circles	3	-	RP per block	£13	-	EMD per block	88	-	EMD as % to RP	10.8%	-	2. NIA Jan'15			No. of Circles	17	20	RP per block	680	4,279	EMD per block	201	665	EMD as % to RP	29.5%	15.5%	
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177.	The EMD and Eligibility points for UPW and UPE for both spectrum bands i.e. 900 MHz and 1800 MHz, are same. This appears to be incorrect as the EMD and Eligibility points for other circles are higher for 900 MHz compared to 1800 MHz.DoT should correct this anomaly. Please make necessary changes and confirm.	Kindly refer to Amendment No. 2 to this NIA.																																	
178.	Please refer page 86-89 of the NIA – table 5H - The table below compares the eligibility points for 900 MHz and 800 MHz with respect to reserve price. In general the eligibility points ought to have a correlation with reserve price of spectrum. The table below shows that the eligibility points prescribed for bidding for 800 MHz per unit of Reserve price is much less than that prescribed per unit of 900 MHz Reserve price. For example - for “A” Category circles (AP, Gujarat, Karnataka and Maharashtra) in case of 800 MHz, the eligibility points on an average are only 1.0 eligibility points per Rs.1 crore of reserve price, whereas for 900 MHz the same figure is 1.6, which is 53.5 % higher.	Kindly refer to Amendment No. 2 to this NIA.																																	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response					
		900 for 1.2MHz			800 for 1.25MHz		
	Circles	Reserve Price	Eligibility Points	Ratio	Reserve Price	Eligibility Points	Ratio
	Maharashtra	630	858	1.4	424	377	0.9
	Andhra Pradesh	551	858	1.6	293	377	1.3
	Gujarat	509	858	1.7	344	377	1.1
	Karnataka	444	858	1.9	379	377	1.0
	Uttar Pradesh (East)	274	348	1.3	168	224	1.3
	Madhya Pradesh	210	348	1.7	114	143	1.3
	Uttar Pradesh (West)	204	348	1.7	119	143	1.2
	Punjab	181	348	1.9	106	143	1.3
	Bihar	178	348	2.0	106	143	1.3
	West Bengal	133	348	2.6	71	143	2.0
	Haryana	91	150	1.6	48	58	1.2
	Assam	89	150	1.7	35	58	1.7
	Orissa	80	150	1.9	48	58	1.2
	North East	35	60	1.7	14	25	1.8
	Himachal Pradesh	32	60	1.9	24	58	2.4
	As the bidder can move their bids from one service area to another service area, across frequency band, DoT must ensure that ratio of Eligibility points should be in line with the reserve price across frequency bands (reasonable variations acceptable to ensure that all						

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	service areas in a category with different reserve prices have same eligibility points). Hence, we suggest that necessary changes should be made to reasonably align the eligibility points with the reserve price across bands for a category of circles (A,B etc.)	
179.	<p>Please refer to page 21 of the NIA, Clause 2.3 (iii) “ <i>For use of technology other than GSM, CDMA, WCDMA, LTE and WiMAX, prior clearance will be required to ensure that harmful interference is not caused to the already operating technologies either in the same band or in the adjacent bands.</i> “</p> <p>From the above it is understood that no prior permission is required to launch WCDMA / LTE on any of the spectrum bands won in this auction. This is applicable both for abinitio use of the spectrum won in this auction for WCDMA / LTE and also for change in technology whether spectrum won in this auction or allocated administratively. Please confirm.</p>	No change in NIA conditions.
180.	<p>Spectrum being put up for auction (Annexure 2A, 2B & 2C of the NIA). Kindly re-confirm the following :</p> <p>a) In 900 MHz - In UP-West, the spectrum blocks being put for auction to belong to an existing operator whose license is not expiring in 2015-16. Spectrum put for auction is 890-896.2 whereas it should be 896-902.4 MHz. Please review and rectify.</p> <p>b) In case of 800 MHz, the uplink and downlink frequencies have seems to have been erroneously mentioned and interchanged. Kindly review and rectify.</p> <p>c) Based on existing spectrum allocation, it is seen that for some spectrum spots the current allocation is partial, while in the NIA these are available across the entire LSA. Because of this there is a lack of clarity on the availability of these spectrum spots. Details as below. Please confirm that these spectrum spots are available across the entire service area.</p>	a), b) & c) Kindly refer to Amendment No. 2 & 3 to this NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query							Response
	Circle	Spots		Operator	Quantum	Total Quantum	Current allocation Remarks	NIA Remarks
	Andhra Pradesh	1745.4	1746.6	Airtel	1.4	3	except Rangareddy	Entire service area
		1746.8	1747.2	Airtel	0.6		except Rangareddy & Hyderabad	
		1747.4	1748.2	Airtel	1		For 12 districts	
	Gujarat	1733		Vodafone /Airtel	0.2	2	Airtel-Ahm Dist excluding Dholka City + Rajkot & Bharuch; Voda-Entire Guj except Ahm, Jamnagar, Baroda	Entire Service Area except Ahmedabad, Jamnagar, Vadodara
		1733.2	1733.8	Vodafone	0.8		Voda- Entire Guj except Ahm, Jamnagar, Baroda	
		1734	1734.8	Vodafone	1		Voda- Only Surat	
		1764.6	1764.8	Vodafone	0.4	0.4	All of Gujarat excl Ahmd & Surat	
	UP(East)	1714.6	1716.2	Vodafone	1.8	3.8	For Shahjahanpur,	Entire Service Area

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query						Response	
						<i>Sitapur, Hardoi only</i>	<i>except Allahabad, Gorakhpur and Jhansi</i>	
	1716.4		Vodafone	0.2		<i>For partial districts</i>		
	1716.6		Vodafone	0.2				
	1716.8	1718.2	Vodafone	1.6		<i>For partial districts</i>		
	Rajasthan	1752.2	1754	Airtel	2	2	Entire SA	Entire Service area
	Himachal Pradesh	1714		Unsold	0.2	0.2	Earlier put up for auction for entire SA	Entire service area except Solan
	North East	1730	1731.6	Reliance/ BSNL	1.8	1.8	<i>For BSNL-Meghalaya only, For Reliance-all SA except Meghalaya</i>	<i>Meghalaya only</i>
181.	Media and News Reports indicate the creation of the Defence band shortly. Would request DoT to indicate the time frame by when the Defence Band will be created and spectrum harmonised with the Defence.						Not related to present NIA.	
182.	We also presume that currently the reason for spectrum being available only partially in a LSA is that it is in use by Defence in those parts of LSA. We presume that once the Defence band is implemented, all spectrum would become available across the entire LSA. Please confirm the same and the time lines as that would help operators value the spectrum correctly based on this.						No change in NIA conditions.	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
183.	Please refer to Page 31 of the NIA - clause 3.8 (d) on Duration which states that <i>“In case of 800 MHz band, date of issue of Lol except for the carrier slots to be vacated by BSNL/MTNL , is indicated in Annexure 2C”</i> – However, Annexure 2C (800 MHz spectrum), does not contain any information on spectrum vacated by BSNL/MTNL. Kindly provide the details of spots which are being vacated by BSNL/MTNL and have been included in Annexure 2C.	Kindly refer to Amendment No.3 to NIA. Such spots would be made available in due course of time.
184.	Also if BSNL / MTNL can vacate spectrum in 800 MHz band before the expiry of their licenses, BSNL can also vacate a small quantity of 1.2 MHz of spectrum in 900 MHz band as recommended by TRAI. In any case BSNL’s spectrum utilization level in terms of subscribers per MHz is almost at one fourth level as compared to private operators of 900 MHz and hence they have excess spectrum. Hence, please inform as to why a small quantity of 1.2 MHz spectrum is not being taken from BSNL in 900/1800 MHz band to be able to create an extra 5 MHz slot in some circles as recommended by TRAI?	No change in NIA conditions.
185.	Interference in allocated spectrum won in Auction. We are already faced with a situation in 3G & 2G, where the spectrum allocated after auction and taken at a high cost is unusable in some service areas (J&K, Punjab, Gujarat) due to interference. Please confirm that the Government would plan to provide alternate interference free spectrum in LSAs where we are facing interference, before the current auction.	Spectrum being put to auction is on “as is where is” basis.
186.	What action does the Government propose in case interference in auctioned spectrum makes commercial use of spectrum not feasible?	Spectrum being put to auction is on “as is where is” basis.
187.	Spectrum Spot Allocation Logic For 900 MHz - In the last auction for renewal of licenses in Feb’14, there were at least 3 contiguous blocks of 5MHz available in the Delhi and Mumbai and 2 contiguous blocks were available in Kolkata (these were equal to no. of eventual winner in these service areas). Hence, all winner of 900MHz in these service areas got allocation of contiguous block. However, based on the details available in present NIA for 900MHz spectrum, there could be a scenario where the winner of 5MHz (or more) in 900 MHz may not get the allocation of contiguous spectrum. How does DoT propose to resolve this?	Kindly refer to Amendment No. 3to this NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
188.	Kindly refer to page 32 of the NIA, clause Para 3.8.1 – Based on experience of actual implementation of switch over of 900 MHz in the Metros post Feb 14 auction, there is a need to lay down a process and time lags for date of use of spectrum to ensure smooth changeover of frequency spots. It is essential that in cases where the spectrum held by an existing operator of 900 MHz is won by an operator who is not an existing licensee whose license is coming up for renewal, sufficient gap of time should be provided between expiry of license of the existing licensee and the allocation of spectrum for use to the new operator who wins this spectrum in the auction. Kindly confirm and include the details of DoT Transition plan in the NIA.	NIA is self-explanatory.
189.	As per the NIA a licensee whose license is expiring in 2015-16 has to participate in the auction as “New Entrant”. Please confirm that for such a “New entrant” (expiring licensee who currently holds 900/1800 MHz band and has completed all 5 phases of roll-out obligations) would not be required to re-offer his network for any further roll-out obligations, if he acquires 900/1800 MHz in forthcoming auction, irrespective of the technology he deploys post acquiring such 900/1800 MHz spectrum.	NIA is self-explanatory.
190.	Kindly refer to Page 21 of the NIA – Clause 3.1 on Eligibility criteria to participate in the Auctions Please inform whether a licensee whose licenses are expiring in 2015-16 needs to provide the undertaking for obtaining Unified License as given in clause 8.3.3 of the NIA, along with the application for auction. In our opinion this is not essential as he has already established his eligibility for being a licensee by being an existing licensee.	NIA is self-explanatory.
191.	Kindly refer to page 8 of the NIA - Clause 1.3 of NIA, second last para – regarding re-arrangement of frequencies. Please confirm all the scenario and circumstances under which re-arrangement of frequencies would be permitted and also the time frame for WPC approval in such cases.	NIA is self-explanatory.
192.	There seems to be an arbitrary and significant price increase (even beyond the value prescribed by TRAI) for service areas like Andhra Pradesh and Karnataka. TRAI had determined a value of Rs. 338.64 Crs / MHz of 900 MHz spectrum in AP service area. Based on this, the reserve price was recommended to be Rs. 270.91 Crs / MHz. However, the reserve price stated in the NIA is Rs. 459 Crs / MHz, which is significantly more than even the value of the spectrum arrived at	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	by TRAI using various models for valuation. There is no rationale of keeping the reserve price higher than the value recommended by TRAI unless it is an error. Please confirm the reasons for such arbitrary price increase in Andhra Pradesh & Karnataka? Please also confirm whether DoT plans to reconsider the price increase in these service areas?	
193.	Kindly refer to the page Clause 3.8 of the NIA mentions the duration of spectrum to be 20 years from “effective date”. However in practice there are delays in allocation of spectrum earmarking. In any case there need to be specific timelines for the DoT and WPC to process and make the spectrum available for use. The effective date of 20 years for the duration of spectrum should only start from the date the spectrum is made available for use. This is particularly important now, because the price of spectrum has increased manifold from the historical price levels. Please confirm that the effective date of spectrum would be the date of earmarking of spectrum, from which date spectrum can be commercially put to use. In any case, request DoT to confirm the exact time frame for earmarking of spectrum from the date of completion of auction.	NIA is self-explanatory.
194.	Please refer to Page 8 of the NIA - Clause 1.3, last para – “... <i>only when the entire spectrum held by them is liberalized or acquired through auction.</i> ” should be reworded as ‘... <i>only when the entire spectrum held by them in the same frequency band, in the specific service area, is liberalized or acquired through auction.</i> ’ Please include in the NIA and confirm.	No change in NIA condition.
195.	Please confirm time frame within which DoT would ensure transfer of all resources (refer amendment to Unified License dated 13.11.2014 regarding re-assignment of resources)? In past, DoT has delayed such transfer of resources by 1-2 years and hence this query.	NIA is self-explanatory.
196.	Kindly refer to page 31 of the NIA, Para 3.6.1.xii – Please confirm whether a licensee whose licenses are expiring in 2015-16 and who has already completed its first and second phase of roll-out, has won spectrum in auction held in February 2014 auction and has submitted the PBG of Rs 21 crores, would not be required to submit the any additional PBG, post acquiring fresh spectrum in forthcoming auction?	NIA is self-explanatory.
197.	Query in relation to EMF Self certification due to Change in Frequency spots post auction - Presently there is no clarity on the EMF regulation on the self-certification if there is a frequency change in a circle due to new frequency allocation after the spectrum auction. As the	NIA is self-explanatory.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>result of the new spectrum auction, there can be the following scenarios for the existing TSP's in a service area :</p> <p>a) The new frequency is a sub set of existing spots.</p> <p>b) The new frequency is in the same band but the frequency spots are different.</p> <p>c) The new frequency allotted is higher (eg.1800 MHz) than the existing frequency band (eg. 900 MHz). This would happen if a licensee fails to win the 900 MHz spectrum, but is able to win 1800 MHz in this auction or has won in the last auction.</p> <p>d) A new Operator gets 900 MHz and rolls out a new network on that band.</p> <p>In view of above, our suggestions is as follows :</p> <p>Scenario-a) The new frequency allotted is exactly the same No change in frequency spots. So no fresh EMF self-certification required.</p> <p>Scenario: b) The new frequency is in the same band but the frequency spots are different.</p> <p>There is very minuscule change in the EMF exposure value if the frequency is changed in the same band itself. EMF estimation and Self-certifying the sites should be exempted in this case for the frequency change if all the other parameters affecting the EIRP is the same.</p> <p>Scenario: c) The new frequency band is higher (eg.1800 MHz) than the existing frequency band on the lower spectrum (eg. 900 MHz).</p> <p>The EMF exposure values “S” is dependent on the frequency ($S=F/2000$). If the frequency is changed from the lower to a higher frequency band, the exposure threshold value increases and there is no need to estimate the EMF and self- certify the sites if all the other parameters affecting the EIRP is kept the same.</p> <p>Scenario d). New Operator launches network on 900 MHz In case if the new frequency allotted is to a lower band, the operators should be given minimum one year time to estimate the exposure values for all the existing sites due to the following reasons.</p>	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>☑ Multiple changes in the same site by different operators.</p> <p>☑ The implementation time available for the frequency change is very small after the frequency allocation is done.</p> <p>The above is necessary for smooth transition and management of EMF certification issues. Please confirm the DoT stance in each of the above scenario? In case, of any other understanding, please let us know the same?</p>	
198.	<p>Query relating to power Output of a 3G Node B - Currently the spectrum allocation letter issued by the WPC Cell for 2100 MHz, stipulates the following as the usage of the allocated spectrum as “2/20W power, emission 5M00G7W.” This implies that the radiation of the Node B cannot exceed 20 W. While the WPC has changed the channeling plan from 200 KHz to 5 MHz to cater for the change in technology, they have not taken into account the power requirement with the change in technology. In this regard it is submitted that :</p> <p>a. There is significant difference between GSM (narrowband technology) and 3G (broadband technology) which necessitates different treatment of RF Power related to these technologies. GSM has continuous power transmission irrespective of the traffic in the BTS, while 3G has discontinuous power transmission and only pilot power, which is typically 10% of the total transmit power, is continuous and total power transmitted is based on the amount of voice and data traffic in the Node B. Also, in LTE, MIMO is the basic functionality and transmit power should be minimum 20W+20W.</p> <p>b. 3G as a wideband technology needs higher transmit power for coverage & capacity. Global deployments in US, Europe, China and APAC markets for 3G are using 40W to 80W of transmit power in the Node B irrespective of bands (900 or 2100) as increase in power is a means to increase the capacity of the Node B in 3G and thus improve customer experience.</p> <p>c. Power density (RF power per MHz) in 3G is much lower than GSM even when Node B RF</p>	NIA is self-explanatory.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	Power is 60W/80W. Both calculation method and field measurement results for a heavy loaded site have shown that the EIRP/EIRPth values of 60W/80W power of 3G sites are well within the limits of EMF guidelines prescribed DoT. We have shared detailed measurements / calculations on this to DoT in the past for relaxing the present guidelines. In view of the above request DoT to confirm whether, TSPs would be allowed to configure transmit power in 3G Node B beyond 20W (up to 80W), irrespective of frequency bands, while maintaining compliance to the EMF norms.	
199.	Kindly confirm that DoT would not administratively allocate any spectrum or change the price of spectrum through administrative mechanism in future?	NIA is self-explanatory.
200.	Auction of spectrum currently held by existing licensees and existing license terms. - The NIA proposes auction of spectrum currently held by existing licensees. The current licensees have legal and contractual right over existing spectrum even beyond the initial license period of 20 years, as per their existing license terms & conditions. The issue of extension licenses is sub-judice and pending before the Supreme Court, resultantly the DoT will have to abide by any decision rendered by the Supreme Court on the same; in which case we request DoT to spell out as to how will it compensate the winner in the auction for the investments made by it for the spectrum, the capex, the initial losses if any and the opportunity cost of investment so made?	NIA is self-explanatory.
201.	Please clarify the process followed by the DoT in responding to the queries : a. The Authority (level) at which the Response to the queries are cleared; b. Please provide the details of the competent Authority which approves the responses to queries raised by the bidders. c. Please confirm that the responses to queries are based on licensing and policy regime. If not, then the basis on which the responses are based.	The responses to the queries are given by the Department for and on behalf of the President of India.
202.	Please confirm the representations made by the DoT in the NIA and responses to the queries will be legally binding on the DoT.	NIA is self-explanatory.

Query No.	Query	Response
203.	<p>Q1. Please refer to the rules governing determination of Provisional Winning Blocks and Provisional Winning Bidder stated on Page 72 of the NIA. There is a bullet with 1 asterisk mark after point a).</p> <p>It states:</p> <p><i>*It is important to note that in such cases, the Provisional Winning Bidders from an earlier round with Clock Round Price less than the Current Clock Round, R, will be considered in order of their ranking.</i></p> <ul style="list-style-type: none"> • From the 2014 auction, we understand this applies only to point a) on this page, and not to points b) and c) on pages 72-73. • Again from the 2014 auction, we understand that in cases where this rule applies then only the Provisional Winning Blocks held by each such bidder at the end of the previous Clock Round will be considered. <p>Please confirm that this understanding is correct, and that the Electronic Auction System for the upcoming auction will behave in the same way as the 2014 system.</p> <p>As a concrete example, please consider the following scenario in the 1800MHz band auction in a particular service area:</p> <ul style="list-style-type: none"> • Total of 95 blocks are being sold • At least one chunk of contiguous 5MHz (paired) is available • There are three bidders, A, B and C • B is a New Entrant while A and C are Existing Licensees <p>If bidding progresses as below, please confirm that the PWBs and order of ranking will be as</p>	<p>NIA is self-explanatory.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query									Response
	shown in the table.									
Round No.	CRP	New bids submitted (No. of blocks):			Aggregate demand	Excess demand	Escalation	PWBs and Ranks	Remarks	
		<u>A</u>	<u>B</u>	<u>C</u>						
1	100	65	25	10	100	5	1%	1A – 65 blocks 2B – 25 blocks 3C – 5 blocks	PWBs determined based on ranking rule no. 4	
2	101	75	25	-	100	5	1%	1A – 75 blocks B – 0 blocks C – 0 blocks	B cannot be awarded at least 25; C's PWB from round 1 is not considered	
3	102	75	-	-	75	-20	0%	1A – 75 blocks	C's PWB from round 1 is not	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																								
	<p>a particular service area:</p> <ul style="list-style-type: none"> • Total of 95 blocks are being sold • At least one chunk of contiguous 5MHz (paired) is available • There are three bidders, A, B and C • B is a New Entrant while A and C are Existing Licensees <p>If bidding progresses as below, please confirm that the PWBs and order of ranking will be as shown in the table.</p> <table border="1"> <thead> <tr> <th>Round No.</th> <th>CRP</th> <th colspan="3">New bids submitted (No. of blocks):</th> <th>Aggregate demand</th> <th>Excess demand</th> <th>Escalation</th> <th>PWBs and Ranks</th> <th>Remarks</th> </tr> <tr> <td></td> <td></td> <td><u>A</u></td> <td><u>B</u></td> <td><u>C</u></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </thead> <tbody> <tr> <td>1</td> <td>100</td> <td>65</td> <td>25</td> <td>10</td> <td>100</td> <td>5</td> <td>1%</td> <td>1A – 65 blocks 2B – 25 blocks 3C – 5 blocks</td> <td>PWBs determined based on ranking rule no. 4</td> </tr> <tr> <td>2</td> <td>101</td> <td>75</td> <td>-</td> <td>-</td> <td>75</td> <td>-20</td> <td>0%</td> <td>1A – 75</td> <td>B's round 1 PWB can't</td> </tr> </tbody> </table>	Round No.	CRP	New bids submitted (No. of blocks):			Aggregate demand	Excess demand	Escalation	PWBs and Ranks	Remarks			<u>A</u>	<u>B</u>	<u>C</u>						1	100	65	25	10	100	5	1%	1A – 65 blocks 2B – 25 blocks 3C – 5 blocks	PWBs determined based on ranking rule no. 4	2	101	75	-	-	75	-20	0%	1A – 75	B's round 1 PWB can't	
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query										Response
									blocks B – 0 blocks C – 0 blocks	continue; C's round 1 PWB is not considered	
<p>If Round 2 proceeds instead as below, please confirm that the PWBs and order of ranking will be as shown:</p>											
Round No.	CRP	New bids submitted (No. of blocks):			Aggregate demand	Excess demand	Escalation	PWBs and Ranks		Remarks	
		<u>A</u>	<u>B</u>	<u>C</u>							
2	101	75	-	3	78	-17	0%	1A – 75 blocks 2C – 3 blocks B – 0 blocks	B's round 1 PWB can't continue; C's round 1 PWB is not considered		
<p>If Round 2 proceeds instead as below, please confirm that the PWBs and order of ranking will</p>											

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query										Response																														
	be as shown: <table border="1" data-bbox="388 381 1522 1015"> <thead> <tr> <th data-bbox="388 381 483 600">Round No.</th> <th data-bbox="483 381 567 600">CRP</th> <th colspan="3" data-bbox="567 381 766 600">New bids submitted (No. of blocks):</th> <th data-bbox="766 381 892 600">Aggregate demand</th> <th data-bbox="892 381 987 600">Excess demand</th> <th data-bbox="987 381 1102 600">Escalation</th> <th data-bbox="1102 381 1291 600">PWBs and Ranks</th> <th data-bbox="1291 381 1522 600">Remarks</th> </tr> <tr> <td></td> <td></td> <th data-bbox="567 600 630 665"><u>A</u></th> <th data-bbox="630 600 693 665"><u>B</u></th> <th data-bbox="693 600 766 665"><u>C</u></th> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </thead> <tbody> <tr> <td data-bbox="388 665 483 1015">2</td> <td data-bbox="483 665 567 1015">101</td> <td data-bbox="567 665 630 1015">75</td> <td data-bbox="630 665 693 1015">25</td> <td data-bbox="693 665 766 1015">3</td> <td data-bbox="766 665 892 1015">103</td> <td data-bbox="892 665 987 1015">8</td> <td data-bbox="987 665 1102 1015">1%</td> <td data-bbox="1102 665 1291 1015">1A – 75 blocks 2C – 3 blocks B – 0 blocks</td> <td data-bbox="1291 665 1522 1015">B cannot be awarded at least 25; C's round 2 bid is considered</td> </tr> </tbody> </table>										Round No.	CRP	New bids submitted (No. of blocks):			Aggregate demand	Excess demand	Escalation	PWBs and Ranks	Remarks			<u>A</u>	<u>B</u>	<u>C</u>						2	101	75	25	3	103	8	1%	1A – 75 blocks 2C – 3 blocks B – 0 blocks	B cannot be awarded at least 25; C's round 2 bid is considered	
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205.	<p>Q3. Please refer to the Consequences of Rules for Provisional Winning Bidders (Section 5.4.2, Page 65).</p> <p>It is stated that:</p> <p><i>“If the Clock Round Price of Current Clock Round R+1, is GREATER than the Clock Round Price of previous Clock Round R, (due to Excess Demand being Positive in Clock Round R) for a particular Service Area in a particular band, the bidder can bid for Any / ALL the Blocks depending on their respective categorization for that particular Service Area in the particular band.”</i></p>										NIA is self-explanatory.																														

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																
	<ul style="list-style-type: none"> From the 2014 auction, we understand that a provisional winning bidder in a Service Area in a particular band can make a “new” bid if the clock round price has increased; and this “new” bid can be for a quantity <i>lower</i> than the number of provisional winning blocks currently held by the bidder (if at least his minimum bid requirement). Again from the 2014 auction, we understand that if the bidder performs such a bid, then his demand and bid activity is assumed neither to increase nor to decrease, but to equal the number of provisional winning blocks currently held. Further, that the bidder may be allocated provisional winning blocks at two different prices (with different bid ranks), but only sees one Bidder Rank. In particular, in the case where a bidder gets blocks at two different price points, then only his blocks at the higher price point are considered when generating the Bidder Ranks. <p>Please confirm that this understanding is correct, and that the Electronic Auction System for the upcoming auction will behave in the same way as the 2014 system.</p> <p>As a concrete example, please consider the following scenario in the 1800MHz band auction in a particular service area where the supply is 81 blocks, and with three bidders (all Existing Licensees).</p> <p>Bidding progresses as below. Please confirm that our understanding of PWBs and order of ranking is correct. -</p> <table border="1" data-bbox="388 1149 1495 1365"> <thead> <tr> <th data-bbox="388 1149 478 1365">Round No.</th> <th data-bbox="478 1149 548 1365">CR P</th> <th data-bbox="548 1149 747 1365">New bids submitted (No. of blocks):</th> <th data-bbox="747 1149 867 1365">Aggregate demand</th> <th data-bbox="867 1149 974 1365">Excess demand</th> <th data-bbox="974 1149 1094 1365">Escalation</th> <th data-bbox="1094 1149 1276 1365">PWBs and Ranks</th> <th data-bbox="1276 1149 1495 1365">Remarks</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Round No.	CR P	New bids submitted (No. of blocks):	Aggregate demand	Excess demand	Escalation	PWBs and Ranks	Remarks									
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query										Response
			<u>A</u>	<u>B</u>	<u>C</u>						
1	100	61	15	5	81	0	1%	1A – 61 blocks	2B – 15 blocks	3C – 5 blocks	PWBs determined based on ranking rule no. 4
2	101	25	-	-	25	-56	0%	1A – 25+36 blocks	2B – 15 blocks	3C – 5 blocks	A will see two sets of blocks at two prices
3	101	-	30	5	60	-21	0%	1A – 25+21 blocks	2B – 30 blocks	3C – 5 blocks	A has fewer blocks at the lower price, despite A still having rank 1

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>At the end of round 2, the auction system will first award blocks against bids made at the current price. Since Aggregate Demand < Supply, it will next pick provisional winning bidders from the previous round to satisfy the balance demand. Thus, the identification of provisional winning blocks will be:</p> <ul style="list-style-type: none"> • A (25 blocks) – bid at current price • A (36 blocks) – bid at previous price after deducting the blocks bid at current price • B (15 blocks) – bid at previous price • C (5 blocks) – bid at previous price <p>Similarly, at the end of round 3, the identification of provisional winning blocks will be:</p> <ul style="list-style-type: none"> • A (25 blocks) – bid at current price • B (30 blocks) – bid at current price • C (5 blocks) – bid at current price • A (21 blocks) – bid at previous price, after deducting the blocks bid at current price, and reducing from 36 to 21 to fit into supply 	
206.	<p>Q4. Page 72 of the NIA (first bullet with asterisk) states: “Ranking will be generated for each Service Area in each of the band at the end of each Clock Round.”</p> <ul style="list-style-type: none"> • From the 2014 auction, we understand however that a new ranking will only be generated after a round in which there is new activity in this Service Area and band. If no further bids are received in a round in that particular Service Area and band, then the ranking of PWBs from the previous round is retained unaltered. • Again, from the 2014 auction, we understand that in rounds when a re-ranking is triggered (by new activity) then the relative ranking of provisional winning bids at the <i>previous</i> clock price will not change, but will be carried over unaltered from the ranking created in the round when Excess Demand was ≥ 0 at that previous clock price. 	NIA is self-explanatory.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																	
	<p>Please confirm that this understanding is correct, and that the Electronic Auction System for the upcoming auction will behave in the same way as the 2014 system.</p> <p>As a concrete example, please consider the following scenario in the 1800MHz band auction in a particular service area where the supply is 95 blocks, and with three bidders (all Existing Licensees).</p> <p>If bidding progresses as below, please confirm that the PWBs and order of ranking will be as shown in the table.</p> <table border="1"> <thead> <tr> <th rowspan="2">Round No.</th> <th rowspan="2">CRP</th> <th colspan="3">New bids submitted (No. blocks):</th> <th rowspan="2">Aggregate demand</th> <th rowspan="2">Excess demand</th> <th rowspan="2">Escalation</th> <th rowspan="2">PWBs and Ranks</th> <th rowspan="2">Remarks</th> </tr> <tr> <th><u>A</u></th> <th><u>B</u></th> <th><u>C</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>100</td> <td>40</td> <td>15</td> <td>-</td> <td>55</td> <td>-40</td> <td>0%</td> <td>1A – 40 blocks 2B – 15 blocks</td> <td>Ranks are based on rule no. 4</td> </tr> <tr> <td>2</td> <td>100</td> <td>-</td> <td>-</td> <td>50</td> <td>100</td> <td>5</td> <td>1%</td> <td>1A – 40 blocks 2B – 15 blocks 3C – 40 blocks</td> <td>A and B ranked above C because of rule 2</td> </tr> </tbody> </table>	Round No.	CRP	New bids submitted (No. blocks):			Aggregate demand	Excess demand	Escalation	PWBs and Ranks	Remarks	<u>A</u>	<u>B</u>	<u>C</u>	1	100	40	15	-	55	-40	0%	1A – 40 blocks 2B – 15 blocks	Ranks are based on rule no. 4	2	100	-	-	50	100	5	1%	1A – 40 blocks 2B – 15 blocks 3C – 40 blocks	A and B ranked above C because of rule 2	
Round No.	CRP			New bids submitted (No. blocks):								Aggregate demand	Excess demand	Escalation	PWBs and Ranks	Remarks																			
		<u>A</u>	<u>B</u>	<u>C</u>																															
1	100	40	15	-	55	-40	0%	1A – 40 blocks 2B – 15 blocks	Ranks are based on rule no. 4																										
2	100	-	-	50	100	5	1%	1A – 40 blocks 2B – 15 blocks 3C – 40 blocks	A and B ranked above C because of rule 2																										

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	3	101	-	35	-	35	-60	0%	1B – 35 blocks 2A – 40 blocks 3C – 20 blocks	B ranked first because of Rule-1; relative ranks of A and C carried over from round 2	
	4	101	40	-	-	75	-20	0%	1B – 35 blocks 2A – 40 blocks 3C – 20 blocks	A and B tied on Rule-1; B ranked higher because of Rule-2	
	5	101	-	-	-	75	-20	0%	1B – 35 blocks 2A – 40 blocks 3C – 20 blocks	Ranks are not recalculated, because there is no new activity	
	In particular, please confirm that the ranking as shown in Round 5 is correct (carried over from round 4), and that Bidder A will not get ranking higher than B because of Rule 4 (resolving a tie based on Rules 1-3).										
207.	3.2.vii.d d) The networth requirement is not applicable in case of Existing licensee. Existing UASL/CMTS/UL(AS)/UL licensees shall be treated as 'Existing Licensee' in those service areas for the frequency band(s)* in which they already hold spectrum.										No change in NIA conditions. It is also clarified that

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	<p>* 900MHz/1800 MHz bands would be treated as same band for this purpose; 800 MHz and 2100 MHz would be treated as separate bands.</p> <p>1. Spectrum band wise Net-Worth criteria for existing licensee should be amended, as it would reduce ability of existing licensees to participate, decrease competitive bidding, and defeat the following objectives of the Auction</p> <p>a. Objective #1 “Obtain a market determined price of Spectrum in 2100 MHz, 1800 MHz, 900 MHz and 800 MHz bands through a transparent process;”</p> <p>b. Objective #3 “Stimulate competition in the sector;”</p> <p>c. Objective #5 “Maximise revenue proceeds from the Auctions within the set parameters.”</p> <p>2. TRAI has recommended auctions should not be converted into Incumbent favouring constrained auction. Quoting from the "Recommendations On Valuation and Reserve Price of Spectrum: 2100 MHz Band" dated 15th Jan 2015, Clause 7.c. “Since the willingness to pay depends on initial endowments (income and wealth), a supply-constrained auction only plays into the hands of incumbents with deep pockets. They are the ones most likely to win the single block of 2100 MHz on auction. This would further entrench their dominant market position, as other smaller players fall by the wayside. This cannot (and should not) be the intended outcome of a spectrum auction.” Clear inference can be drawn from this which support removal of net-worth criteria for all existing licensee, irrespective of spectrum bands in which they hold spectrum.</p> <p>3. Considering the above observations, shouldn’t the above criteria be amended to read as * 800 MHz/900 MHz/1800 MHz/2100 MHz bands would be treated as same band for this purpose”</p> <p>With suitable substitutions across NIA sections where above sentence is reproduced.</p>	<p>i) The requirement of networth (100 crores/ 50 crores) to be shown is per service area (and not band) for such service areas in such bands, where that bidder is a new entrant. Therefore, a bidder, who is a new entrant in all the three bands (2100, 1800/900 and 800) will need to show a networth of 100 crores (or 50 crores in case of NE, J&K) only for bidding in all the three bands.</p> <p>ii) Further, e.g. - an existing licensee with negative networth and holding spectrum in say 1800 or 900 MHz band, can bid</p>

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		in 1800/900 band. But, such a bidder would not be eligible to bid in 2100MHz or 800 MHz bands, unless it uses the networth of its promoters (>= 10% direct equity holding).
208.	<p>Clause 1.3 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 200 kHz Paired in 1800 MHz & 900 MHz bands and 1.25 MHz Paired in 800 MHz Band (i.e. the right to use spectrum blocks not linked to any frequency) as per their respective permissible limit depending upon their categorization as a “New Entrant” or as an “Existing Licensee”. The status as a “New Entrant” or as an “Existing Licensee” would be separate in 900/1800* MHz band and 800 MHz band and this status may be different for different Service Areas depending on the holding of spectrum in such band and in such Service Area.</p> <p>* For this purpose, 900 MHz and 1800 MHz bands would be treated as one.</p> <p>What is the purpose of spectrum band wise categorization of existing licensee as it would complicate bidding and limit ability of existing licensees to participate in competitive bidding and not permit</p> <p>a. Objective #1 “Obtain a market determined price of Spectrum in 2100 MHz, 1800 MHz, 900 MHz and 800 MHz bands through a transparent process;”</p> <p>b. Objective #3 “Stimulate competition in the sector;”</p>	Kindly refer to Amendment No.2 to this NIA.

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	<p>c. Objective #5 “Maximise revenue proceeds from the Auctions within the set parameters.”</p> <p>Considering the above observations, shouldn’t the above criteria be amended to read as “* For this purpose, 800MHz, 900 MHz 1800 MHz bands and 2100MHz would be treated as one.”</p>	
209.	<p>Clause 3.1 Eligibility with regard to the number of blocks a bidder can bid depends on its categorization as an ‘Existing Licensee’ or as a ‘New Entrant’ in a particular Service Area in a particular band. Details may be seen below in Section 3.2.</p> <p>What is the purpose of spectrum band wise categorization of existing licensee as it would complicate bidding and limit ability of existing licensees to participate in competitive bidding and not permit</p> <p>a. Objective #1 “Obtain a market determined price of Spectrum in 2100 MHz, 1800 MHz, 900 MHz and 800 MHz bands through a transparent process;” b. Objective #3 “Stimulate competition in the sector;” c. Objective #5 “Maximise revenue proceeds from the Auctions within the set parameters.”</p> <p>Considering the above observations, Shouldn’t the above criteria be amended to read as “* For this purpose, 800MHz, 900 MHz 1800 MHz bands and 2100MHz would be treated as one.”</p>	No change in NIA conditions.
210.	<p>Clause 3.2 (xii) Lock-in conditions (as per the NIA) 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 Unified License and whose networth 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,</p>	Lock-in condition for promoters’ equity will be applicable as per the NIA, if the existing licensee uses promoters’

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	<p>whichever is later. However, this is subject to revision in accordance with the Guidelines on Trading of Spectrum when issued. Further, these conditions are not applicable to existing licensees with effective date of licence as three years prior to date of allotment of spectrum as per terms and conditions of this NIA and period of license of existing operators as on date of auction shall be counted towards Lock-in period while being treated as new entrant for that service area. The Lock-in period commences from the effective date as defined in NIA.</p> <p>Consider an operator has UASL licensee with effective date of license as 01 Jan 2004, and having 4.4MHz of 1800MHz administratively allotted spectrum, would the lock-in clause apply for case produced below considering “with effective date of licence as three years prior to date of allotment of spectrum as per terms and conditions of this NIA”.</p> <p>a. Would this licensee acquiring spectrum in in 1800MHz band in the current Auction be considered as “Existing” licensee?</p> <p>b. Would the lock-in clause apply to the operator in this case “a” above?</p> <p>c. Would this licensee acquiring spectrum in in any other band (other than 1800MHz band) in the current Auction be considered as “Existing” licensee?</p> <p>d. Would the lock-in clause apply to the operator in this case “c” above?</p> <p>Lock-in is 3 years of allotment or fulfillment of roll-out conditions. Roll-out conditions specify 5 years and certifications by Licensor, hence in effect the lock-in appears as 5 years plus. Please confirm that lock-in would only be applicable for 3 years and/or Registration of Application for rollout obligation testing with TERM cell, whichever is earlier?</p> <p>If investor has fulfilled the rollout obligations and invested in the network, he should be exempted from the DOT/TERM testing of rollout before the lock-in criteria is considered completed.</p> <p>Will the lock-in period be applicable for licenses expiring in 2015-16? These operators who have fulfilled the rollout obligations and invested in the network should be exempted from the DOT/TERM testing of rollout before the lock-in criteria is considered completed.</p>	<p>network for gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring licenses as well.</p>

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211.	<p>5.5 Frequency Identification Stage The Clock Stage will be followed by a Frequency Identification Stage that will identify specific frequencies for the Winning Bidders. Allocation of Spectrum will be conducted separately for Contiguous set(s) of 5 MHz and for Noncontiguous blocks of spectrum. The bidders who have won a minimum of 5 MHz spectrum at the end of the clock stage will be considered for the allocation of Contiguous Set(s) of 5 MHz spectrum in the order of their ranking.</p> <p>How would the ranking rules for the partial spectrum, i.e., spectrum not available across all district of LSA be allotted?</p> <p>Would the following section #4 from clarifications issued by DOT (No. 1000/12/2013-WF/Auction Dated 13-01-2014) may please be added to the NIA to clarify this? “frequency assignment based on a pre-defined set of rules considering Contiguous Set of 5 MHz (Full with Guard Band, Full without Guard Band, Partial) in that order followed by non-contiguous spectrum (Full, Partial) in that order.”</p>	<p>NIA is self-explanatory.</p>
212.	<p>Section 2.1 NOTE on Page 19 of 129 Balance payments (as per the NIA) Balance will be collected as and when spectrum is made available in each district, the amount being pro-rated to the population of that district(s) (census 2011) and the balance period (of the 20 years). Amount to be collected in future at the time of providing balance spectrum would be the balance prorated bid amount indexed on the SBI PLR prevalent for the period between finalization of bid price and actual allocation made Scenario 2:- If the deferred payment option was chosen by the bidder, then same methodology and tables given in the NIA (for ten instalments) would apply for calculating upfront payment and instalments (or values of annuities) for amount of present value 8290.96. This includes part</p>	

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	<p>upfront payment (33% of this amount – in case of 1800 MHz band), 2 year moratorium on payment of instalment, 10% rate of interest and 10 equal instalments (if 12 or more years are remaining in the right to usage period, otherwise lesser number of instalments would be allowed, up to the end of right of usage period of 20 years, with same rate of interest of 10%).</p> <p>A Price of the partial spectrum should be kept same as determined in this auction, irrespective of any subsequent auctions or price discovered. Please confirm?</p> <p>NIA should provide a road map for allocation of the remaining part of the partial spectrum with the specific time lines, hence please provide the same.</p> <p>An exit option to the successful bidders should be provided to the said bidders after frequency identification stage in case it is allocated partial spectrum. Please confirm?</p> <p>If the Partial spectrum cannot be allocated within 2 years of close of auction then an exit option to bidders with refund should be provided, please confirm?</p> <p>Allocation of Partial spectrum to a bidder is not an ideal scenario, which is resorted to when DOT does not have spectrum with full LSA coverage. In such case, the SBI PLR which is significantly prohibitive rate and is not referred as default rate by majority of institutions should not be applied, Please confirm?</p> <p>RBI instructions to all scheduled banks may also be considered in the case, ""RBI/2010-11/72 DBOD.No.Dir.BC.9 /13.03.00/2010-11 dated July 1, 2010" is inferred to read as the Base rate should replace PLR for all purposes.</p> <p>The payment terms as illustrated in the "Para 1, NOTE on Page 20 of 129" and "Clause 4.5.b.iii" are also based on Interest rate of 10% which is similar to the SBI Base rate being applied for the</p>	<p>A: No change in NIA conditions as NIA is self-explanatory.</p>

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	<p>calculation of Equal Annual Instalments, please confirm similar rate would be applied instead of SBI PLR?</p> <p>Request the sections last section of the clause may be amended to read as “indexed on the SBI Base rate prevalent for the period between finalization of bid price and actual allocation made”, please confirm?</p> <hr/> <p>B Request to confirm that fresh Rollout obligations should not be applicable for an operator when the partial spectrum is allotted for remainder geography?</p> <p>C Please confirm that 5% SUC applicable for new spectrum being acquired should be prorated for partial spectrum allocation on basis of population coverage?</p> <p>D 4.10 Spectrum Sharing Operators whose entire spectrum holding in a particular band is/has been liberalized will be permitted to share spectrum as per the guidelines issued from time to time without any additional one time spectrum charge</p> <p>Has DOT decided the norms for Sharing would include mandatory criteria of liberalized spectrum?</p> <p>A Pre-condition for spectrum sharing in form of “liberalized spectrum” would not permit most</p>	<p>B: NIA is self-explanatory</p> <p>C:NIA is self-explanatory</p> <p>D: No change in NIA conditions.</p>

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	<p>efficient use of spectrum. Please note the NIA states Objective #2 “Ensure efficient use of spectrum and avoid hoarding;”</p> <p>We humbly submit that these criteria may be amended by removing following sections “is/has been liberalized”.</p> <p>Can the operators having liberalised spectrum in a circle be allowed to share spectrum with immediate effect as per the NIA?</p> <p>We further request Government to issue the spectrum sharing guidelines at earliest and also state the specific timeline for the same as part of clarifications.</p>	<p>Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.</p>
213.	<p>4.11 Spectrum Trading “Detailed guidelines would be issued in due course.”</p> <p>We request Government to issue the spectrum trading guidelines at earliest and also state the specific timeline for the same as part of clarifications.</p>	<p>Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.</p>
214.	<p>1.1 2100 MHz Spectrum The details regarding 2100 MHz band will be issued later</p> <p>A Whether the Government will provide clean and interference free spectrum in the 2100MHz spectrum band before Auctions to existing operators with extremely interference prone spectrum in various LSAs, such as Punjab for Aircel?</p>	<p>Spectrum being put to auction is on “as is where is” basis.</p>

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	<p>When specific details of this band in terms of quantum, reserve prices and rules are expected to be announced?</p> <p>The details of 2100MHz related criteria may be furnished for various clauses such as clause 3.1 page 21, 4.2.1.1 page 37, 4.5 page 41 and clause 5.2 page 47, etc.</p> <p>If there is a possibility that 2100 MHz may not be auctioned simultaneously, then entire 2100MHz as suggested by TRAI recommendations should be put for Auction within a specified timeline to be mentioned as part of clarifications?</p>	<p>Kindly refer to Amendment No.1 and Amendment No.2 to this NIA.</p>
215.	<p>Clause 2.1 Spectrum to be auctioned</p> <p>It must be confirmed by DoT that the spectrum being put to auction is free from any interference/un-encumbered, domestic or otherwise. Please confirm.</p> <p>Has DoT /WPC conducted any interference test on the spectrum put to auction? If yes, the reports should be made public.</p> <p>In case of any interference observed post auction immediately upon allocation or number of years post auction, DoT should also prescribe a time bound approach to allocate alternate frequency or provide an exit path for the operator from the specific spectrum facing interference.</p> <p>If the spectrum is being returned would the amount deposited be returned in a time bound manner?</p>	<p>Spectrum being put to auction is on “as is where is” basis.</p>
216.	<p>8.3.1.1 Annexure to the Application (Service Area-wise information where the Applicant is an Existing</p>	<p>Kindly refer to Amendment No.3</p>

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	<p>Licensee / New Entrant)</p> <p>The annexure of Application should not be required to be filled “spectrum band wise” (regardless of clarification issued for Query 1), pls confirm?</p> <p>“Spectrum band wise” – As the licensee appear to be have different treatment – “new” or “existing” on spectrum band basis, for eg., a licensee with 1800MHz spectrum would be considered new licensee for 2100MHz but existing licensee for 900MHz.</p>	<p>to this NIA.</p>
217.	<p>Section 3.6 Roll Out Obligations</p> <p>What if the BHQ list is not shared by the state govt.? What if the maps are not published or provided by state govt., owing to national security reasons or otherwise?</p> <p>Availability of BHQ list is not under the control of TSP - as such any delay in its availability should be excluded while calculating the delay for the purpose of roll-out. Please confirm</p> <p>Could BHQs as per NIA roll-out obligations be from the same DHQs (with different town being selected to cover BHQ coverage as stipulated in NIA) which have been tested under existing UASL under present roll-out obligations?</p> <p>While calculating the delay for the purpose of rollout obligations, the delay due to factors beyond the TSP’s control need to be excluded such as maximum no. of days delay at SACFA, delay while allocating backhaul spectrum, provisioning of POIs, RoW permission delays, LI testing delays, List of BHQs, maps etc.</p> <p>The Rollout should be Technology and Spectrum band agnostic, please confirm. It may be noted that Rollout PBG is for service area and not linked to spectrum band or technology, the MRO should also thus be technology and spectrum band agnostic?</p>	<p>No change in NIA conditions.</p>

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218.	<p>Clause 3.6.1 (xii) (a) Clause 3.6.1 (xii) (b) Performance Bank Guarantee (PBG) in prescribed format shall be submitted for the amount equal to Rs. 35.00 Crores by the 'New Entrant' and Rs. 21.00 Crores by 'Existing Licensee' per Service Area valid for a minimum period of Six years before signing the License 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. The PBG is to be submitted only once either as existing licensees for an amount equal to Rs.21 crores per service area or as new entrant for an amount equal to Rs.35 crores per service area. If the PBG has already been submitted as per terms and conditions of NIAs for auction of spectrum in November 2012/March 2013/ February 2014, no additional PBG is required. (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 last phase of rollout obligations.</p> <p>DoT should link PBG separately to each phase and amount should be proportional to LD applicable for such phase as suggested in section 3.6. Please confirm.</p> <p>DoT should provide a time bound plan for reduction/release of PBG on fulfilling the respective phase of roll-out obligation</p> <p>DoT should provide a time bound plan for testing of Rollout Obligation from the date of registration of the Rollout tests with the TERM Cell.</p> <p>DoT should provide a time bound plan for release of PBG post successful test of rollout leading to compliance of any specific phase of roll-out obligations</p> <p>Please confirm that PBG applicable for partial spectrum allocated would be prorated on basis</p>	No change in NIA conditions.

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	of population coverage?	
219.	<p>Clause 3.6.1 (xi) Liquidated Damages (LD) Existing licence conditions for LD is maximum of Rs. 7 crore whereas NIA states five separate phases of rollout obligations for the spectrum under auction</p> <p>Existing UASL/CMTS has a cap of INR 7 Cr for roll-out obligations. The proposed phase-wise LD is onerous and may be decremented as the phases are covered e.g. 7 Cr for phase 1, 6 Cr for phase 2 and so on.</p>	No change in NIA conditions.
220.	<p>Section 2.1 Note (3rd para) on Page 19 of 129 In all partial allotment cases where the successful bidders are more than one, the post auction allocation of balance spectrum will be made to all the successful bidders, district wise simultaneously. Request that spectrum allocations are made as and when spectrum becomes available for allocation to the successful bidders as per their rank. Bidders should not be made to wait for all spectrum blocks for all bidders to be available. We humbly request that NIA is amended as below for this: “In all partial allotment cases where the successful bidders are more than one, the post auction allocation of balance spectrum will be made to all the successful bidders in order of their ranks.”</p>	Kindly refer to Amendment No. 3 to this NIA.
221.	<p>Clause 3.2 (viii). d & 8.3.1 Application form (page 101 - point 6 and page 104- point 14) Net Worth requirements (as per the NIA) The networth requirement is not applicable in case of Existing licensee.....</p> <p>Since Net Worth is not applicable for Existing Licensee, will a ‘Not Applicable’ entry suffice in the application form</p>	Information has to be provided.

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222.	<p>8.3.1 Application form (page 101 - point 6.b) Net worth details of Promoter/ Partner/ Shareholder Since Net Worth is not applicable for Existing Licensee, the applicant / promoter’s own Net Worth need not be submitted by Existing Licensee. Please confirm.</p>	<p>Information has to be provided.</p>
223.	<p>Clause 3.2 (ix) “The Applicant Company shall have a minimum paid up equity capital equal to one tenth of networth 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.”</p> <p>This clause should not apply to Existing Operators. Please confirm.</p> <p>Also, what should the paid up capital be if the net worth of existing operator is negative?</p> <p>The networth and paid up capital should be accepted from last audited statement, even if it is greater than one year. For example a particular shareholder with more than 10% equity may have last audited statement of Dec 2013, this should be acceptable, please confirm.</p>	<p>NIA is self-explanatory.</p> <p>NIA is self-explanatory.</p> <p>No change in NIA conditions.</p>
224.	<p>Clause 4.7 Allotment of spectrum 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 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 shall be as defined in Section 3.8; Upon successful bidder obtaining the letter amending the Existing License by way of inclusion of an addendum comprising of this NIA, and fulfilment of conditions as may be specified, the allotment of spectrum shall be made in response to an application, on prescribed format, for</p>	<p>No change in NIA conditions.</p>

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	<p>such spectrum;</p> <p>Shouldn't the payment be made simultaneous to allocation of spectrum or within 10days of allocation of spectrum?</p> <p>If the Spectrum Allotment is subsequent to the date of LOI, the Effective Date should be from the date of first allotment and not LOI date? Please confirm.</p> <p>Within how many days of payment would the LOI be issued?</p> <p>There is no time period specified from the date of issuance of LOI to Spectrum allotment. Please specify the time line for allotment of spectrum post issuance of LOI.</p> <p>The conditions which may require to be fulfilled may be please specified now as part of the NIA. The conditions, if essential, to the process of "allot the rights to use certain specified radio spectrum frequencies" should be specified within NIA.</p> <p>How would the spectrum allocation take place among bidders in circles acquiring spectrum being released by two different licensees who renew their license in 2015/16? For example, how would the timeline and methodology of spectrum allocation for a bidder which acquires 0.6 MHz of spectrum from licensee "A" renewing spectrum in Oct 2015 and remainder spectrum from licensee "B" renewing spectrum in Aug 2016. A simultaneous allocation is essential as the usage of entire spectrum acquired is required for provisioning of service and 20 years effective date should be calculated from this date or later date in case the allocation is staggered.</p>	
225.	<p>Clause 4.2.3 (a) Pre-qualification Conditions – (a) Application requirements</p> <p>Request the DoT to provide additional time / opportunity to rectify any clerical/missing</p>	No change in NIA conditions.

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	information in the application form, annexure and supporting documents – instead of summarily rejecting the application	
226.	<p>Clause 5.1 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 Keys of all the Digital Signature Certificates of the authorized personnel needs to be sent to the Auction Administrator.</p> <p>Would the Auction system have flexibility to permit connectivity from Dynamic IP (“internet dongles”) in case of major technical difficulties.</p> <p>Would the DSC pairs as acquired last time and having validity be acceptable for authorised signatories?</p>	No change in NIA conditions.
227.	<p>Clause 8.3 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 certified by a Company Secretary registered in India)</p> <p>In the absence of Company Secretary, will the Director’s certification suffice? If yes, will it then require 1 or 2 Director’s sign?</p> <p>Pls note - Section 203 (4) of Companies Act, 2013 provides that a vacancy of a Key Managerial Personnel (Company Secretary is a KMP) ought to be filled in within a period of 6 months. In case of such temporary vacancy the application should be allowed with signature of alternate signatory such as suggestions produced above.</p> <p>Section 203 (4) of Companies Act, 2013 :- “If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall</p>	In case of vacancy in the post of Company Secretary,an authorised signatory’s signature will suffice.

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	be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.”	
228.	<p>Clause 2.1 Spectrum to be auctioned</p> <p>The existing licensees with spectrum in 900 MHz and 1800 MHz band are required to bid for minimum 3 blocks, while the existing licensees with spectrum in 800 MHz band is permitted to bid for minimum 1 block. Shouldn't the existing licensee with spectrum in 900 MHz and 1800 MHz band be permitted to bid for minimum 1 block? Would the E-GSM technology be permitted and facilitated for the Spectrum allotted in this Auction.</p>	<p>No change in NIA conditions.</p> <p>NIA is self-explanatory</p>
229.	<p>Clause 3.2, ii & Clause 2.1 b. (ii) 3.2 Associated Eligibility Conditions (ii) Existing UASL/CMTS/UL(AS)/UL 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, 900 MHz band, 1800 MHz band will be treated as the same band. 2.1 b Details of 900 MHz band II. New entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band would bid for a minimum of 5 MHz (paired) of spectrum in the 900 MHz band, except in West Bengal service area. 2.1 a Details of 1800 MHz band ii. The existing licensees would be required to bid a minimum of 0.6 MHz spectrum (paired).</p> <p>The clause 3.2 states that licensee whose license is not expiring in 2015/2016 will be treated as</p>	<p>NIA is self-explanatory.</p>

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	<p>“Existing licensee” and for this purpose 900MHz or 1800MHz is treated as same band. The clause 2.1.a stipulates that “Existing licensee” can bid of 0.6 MHz spectrum (paired), However the clause 2.1.b contradicts this by categorising the existing licensee with new licensee. This is contradiction and it may be confirmed that existing licensee can bid for 0.6 MHz spectrum (paired) of 900MHz.</p>	
230.	<p>Clause 3.9 Liberalisation of existing spectrum holding in 800 MHz band (a) TSPs would be allowed to convert their existing spectrum holding in 800 MHz into liberalised spectrum only for the balance validity period of the spectrum assignment on payment of the auction determined amount. The auction determined amount will be prorated for the balance validity period of spectrum assignment. (b) In case more than one set of market determined prices are available, the latest market determined prices available at the time when the TSP wants to liberalise its spectrum holding, would be applied. (c) If the market determined prices are more than one year old, the prevailing market rates proposed to be applied by indexing the last auction prices at the rate of SBI PLR.</p> <p>How would a liberalisation charges be calculated in case no market determined prices is available?</p>	NIA is self-explanatory.
231.	<p>Clause 4.5 vii 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. The format for the FBG is at Annexure 8.3.2.1.</p> <p>Can the FBG be submitted with one year validity and renewed annually prior to expiry instead of 3 year validity?</p>	No change in NIA conditions.
232.	<p>Clause 4.5 All payments will need to be made by the Successful Bidders through Real Time Gross</p>	NIA is self-explanatory.

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	<p>Settlement (RTGS) into the designated account that shall be specified by DoT.</p> <p>Can the payment be made via a “Demand Draft”</p>	
233.	<p>Clause 2.1 a 2.1 a Details of 1800 MHz band In the LSAs, where total of 5 MHz (paired) or more spectrum is not available or where 5MHz (paired) or more spectrum is available but contiguous chunk of 5 MHz (paired) is not available in 1800 MHz band, the new entrants as well those licensees whose licenses are expiring in 2015-16 would be required to bid for a minimum of 0.6 MHz (paired).</p> <p>Can a new entrant meet the network rollout obligation with only 0.6MHz of 1800MHz spectrum? The minimum bid size should be set according to minimum usable block size for a new entrant, please confirm?</p>	NIA is self-explanatory.
234.	<p>Clause 1.3.1 read with Clause 1.4 of NIA provides only two days for Mock Auction with Auctions to start immediately after the Mock Auction. We request that there should be more time given either for Mock Auctions or between end of Mock Auction and the Auction so that any glitches / issues found can be removed with due information and comfort to all stakeholders.</p>	<p>Kindly refer to Amendment No.3 to NIA. Further, handholding sessions for familiarization with Auction engine would be provided to pre-qualified bidders before mock auction, (session time/dates and details would be intimated to pre-qualified bidders by Auction</p>

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		Administrator).
235.	<p>In Clause 2.1 (a) (iv) (c) regarding 1800MHz band it is mentioned that those licensees whose licenses are expiring in 2015-16 and hold Spectrum in 1800 MHz band won through Auctions in November 2012 and February 2014 would be required to bid for a minimum of 0.6 MHz (paired). Thus, for this purpose, such Licensees will be in different category from “new entrants” as mentioned Clause 2.1 (a) (iv) (d) thereof. How will such a licensee be treated for the purpose of Clause 3.2 of the NIA and the Annexure 8.3.1.1 at Page 107 of the NIA? Please clarify the same and we request that this clarity be specifically given in line with Clause 2.1 of the NIA at all relevant places in the NIA, including the Application and Annexures thereto (including Annexure 8.3.1.1 at page 107 of the NIA), to avoid any confusion between provisions of this Clause and the term “New Entrant” defined in 3.2 of NIA and being used at other places in the NIA.</p> <p>Similar clarification is requested in NIA in consonant to Clause 2.1 (b) regarding 900MHz band where again there are two categories of “new entrant” and “licensees whose licenses are expiring in 2015-16”.</p>	NIA is self-explanatory.
236.	<p>Clause 3.1 of the NIA states that “Eligibility with regard to the number of blocks a bidder can bid depends on its categorization as an ‘Existing Licensee’ or as a ‘New Entrant’ in a particular Service Area in a particular band. Details may be seen below in Section 3.2.”. However, this eligibility as to number of blocks is stated otherwise in Clause 2.1 (a) (iv) and 2.1(b) where “new entrants” and “licenses expiring in 2015-16” are treated differently. Request clear classifications for all purposes in the NIA (including Clause 3.1/3.2) and request necessary amendments in these Clause in line with and in consonance of Clause 2.1 of the NIA and request other corresponding necessary amendments in Application and the Annexures thereto for ‘New Entrant’, “new entrants” , “Those licensees whose licenses are expiring in 2015-16 and hold spectrum in 1800MHz band won through Auctions in November 2012 and February 2014” and similar other reference in Clause 2.1 (a)(iv) and 2.1(b).</p>	NIA is self-explanatory.

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237.	In Annexure 2B for 900MHz band UP(West), frequencies of Vodafone South Limited, which are in use i.e. 890.2-896.2/935.2-941.2 have wrongly being mentioned. It may be corrected. Kindly, also recheck all the frequencies for all circles.	Kindly refer to Amendment No. 2 to this NIA.
238.	<p>Vodafone India Limited (VIL) is a 100% holding company of:</p> <ul style="list-style-type: none"> a. Vodafone West Limited (UAS Licensee for Gujarat Service Area); b. Vodafone Cellular Limited (UAS Licensee for Maharashtra and Kerala Service Areas); c. Vodafone Digilink Limited (UAS Licensee for Rajasthan, Haryana and Uttar Pradesh (East) Service Areas); <p>Clause 3.2 (iii) of the NIA states that the bidders whose licences are due for expiry in 2015-16 and their spectrum put to auction will also be treated as ‘New Entrants’.</p> <p>Vodafone West Limited (VWL) , Vodafone Cellular Limited (VCL) and Vodafone Digilink Limited (VDL), have licenses (as mentioned above) which are expiring in 2015-16 (as per the NIA issued by the DoT) and whose spectrum has been put for auction and who intend to participate and bid in the Auction for these respective service areas .</p> <p>Can VIL being the Common Parent of VWL, VCL and VDL, be the Applicant Company for these service areas of VWL, VCL and VDL?</p> <p>B. Please clarify further that in caseVI L is declared a Successful Bidder in Service Area(s), namely Gujarat, Maharashtra, Kerala, Rajasthan, Haryana and Uttar Pradesh (East), then applications for Unified License for authorization for access services can be made in following manner:</p>	<p>A & B: Common parent company can bid on behalf of associate company (ies). However, for grant of unified licence, the applicant company has to</p>

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	<p>i. VWL, a wholly-owned subsidiary of VIL can apply for Unified Licence with authorisation for access service for Gujarat Service Area,</p> <p>ii. VCL, a wholly-owned subsidiary of VIL can apply for Unified Licence with authorization for access service for, Maharashtra and Kerala Service Areas; and,</p> <p>iii. VDL, a wholly-owned subsidiary of VIL (as VIL holds 100% holding in Vodafone East Limited which in turn has 100% holding in VDL) can apply for Unified Licence with authorisation for access service for Rajasthan, Haryana and Uttar Pradesh (East) Service Areas.</p> <p>VIL will furnish an undertaking in this respect as part of the application in accordance with requirement specified under section 8.3.3 of the NIA.</p> <p>This will be similar to procedure that was followed in last auctions for the other group companies.</p> <p>A confirmation to the above is requested.</p> <p>C. There is a merger application of Vodafone Mobile Services Limited (VMSL) pending before DoT. As per this merger, VCL, VDL, Vodafone East Limited and Vodafone South Limited are to merge in VMSL. In the event if any or all the four merging entities win spectrum in the auctions and the merger is approved then as per merger scheme existing license will stand transferred to VMSL and VMSL will take authorisations for access services for respective service areas of VCL and VDL. The spectrum won in auction by all four merging entities shall be accordingly transferred to respective licenses/authorizations held by VMSL. VMSL shall remain 100% subsidiary of VIL, the Applicant Company, post this merger. Kindly confirm that this understanding is correct.</p>	<p>fulfil the requirements as prescribed in the guidelines for grant of unified licence.</p> <p>C: NIA is self-explanatory.</p>

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239.	<p>Clause 3.2(iii) mentions that Bidders whose licenses are due for expiry in 2015-16 and whose spectrum in 900 and 1800 MHz band has been put to auction will also be treated as 'New Entrants'. The case of merger of TN (except Chennai) service area license, which is in name of Vodafone Cellular Limited, with Chennai Service Area is under consideration of DoT. The effective date of TN (except Chennai) service area license is 11 December 1995 and neither its 900MHz nor its 1800MHz spectrum have been put to auction. Hence, pending merger approval, Vodafone Cellular Limited for TN (except Chennai) and Vodafone South Limited for Chennai can through a common bidding entity participate as Existing Licensees in the manner as followed in earlier auctions.</p> <p>In respect of minimum spectrum to bid in 1800Mhz band they shall be governed by Clause 2.1(a)(II) of the NIA and will be required to bid a minimum of 0.6MHz spectrum(paired).</p> <p>Further both Vodafone Cellular Limited for TN (except Chennai) and Vodafone South Limited for Chennai will qualify as Associated Licensees under Clause 3.4 of the NIA since they are controlled by single entity Vodafone India Limited. Please clarify and confirm.</p>	<p>DoT has already issued, in principle, permission for merger. The prescribed conditions have to be fulfilled by the concerned company.</p> <p>NIA is self-explanatory.</p> <p>NIA is self-explanatory.</p>
240.	<p>The words wholly owned subsidiary as used in Clause (c) of the undertaking format in 8.3.3 of the NIA will include wholly owned indirect subsidiary (i.e.100% subsidiary of an 100% subsidiary). Please clarify in light of the fact that one of our group company which is an existing licensee and which has to be nominated for taking license for the purpose of continuity in case the Applicant company is successful bidder is and will remain the wholly owned indirect subsidiary of the Applicant. This will also be in line with the definition of Associated Licensee in which Common Parent should have at least 26%, <i>directly or indirectly</i>, in the company.</p>	<p>No change in NIA conditions.</p>
241.	<p>Clause 3.2(xii) of NIA in respect of Lock in Conditions states that “Further, these conditions are not applicable to existing licensees with effective date of licence as three years prior to date of allotment of spectrum as per terms and conditions of this NIA...” Please confirm that this means that there is no lock in condition applicable in respect of a UAS licensee having effective</p>	<p>Lock-in condition for promoters' equity will be applicable as per</p>

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	date of License in 1995 even after migrating to UL in 2015 due to end of initial period of 20 years as per the UL guidelines.	the NIA, if the existing licensee uses promoters' networth for gaining eligibility to bid in a band, where it does not hold spectrum. This is applicable to holders of expiring licenses as well.
242.	Clause 8.2 of Unified Guidelines dated 13.11.2014 state that “ Further, on expiry of any of their current license(s), the Telecom Service Providers shall have to migrate its relevant licenses to Unified License with relevant authorization at the time of renewal/extension of license and obtain spectrum separately, which is delinked from Unified License, if required.” This mandatory migration procedure is defined in Clause 8.3 of these guidelines requires payment of entry fee for such migration. There is no requirement of net worth at the time of migration in this Clause 8.3, rightly so since it is a mandated requirement of migration from an existing license to a new license for an on-going operation due to policy change. Please confirm that for such migration to UL there is no net worth condition applicable.	NIA is self-explanatory.
243.	DoT is requested that the requirement to show networth should not be applicable to extension licensees who have acquired spectrum in 1800MHz in Nov-12/Feb-14 auctions.	No change in NIA conditions.
244.	It may be noted that for the companies having financial year end as at 31 March and having last audited statements as on 31 March 2014 can provide Networth Certificate and Paid Up Capital Certificate signed by the Company Secretary or the Authorised signatory as on that date. In regard to Networth as on date or as on 30.09.2014 or as at 31.12.2014 a certificate given by Company Secretary or Authorized signatory of that Company(based on unaudited accounts) should meet the requirement together with a certificate of paid up capital signed by them.	Confirmed.

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	<p>It may be noted that “Audited Certificates” for networth as on any other date except 31.03.2014 will not be possible since such audited certificates will require a detailed audit which cannot be conducted even up to 15.02.2015. In light of this practical problem we request that certificate signed by Company Secretary or Authorized Signatory as on Date or as on 31.12.2014 based on unaudited accounts should suffice. Please confirm.</p>	
245.	<p>Can DoT let us know the date on which it will publish the EMDs submitted by the each pre-qualified bidder and the associated eligibility points?</p>	<p>The date when prequalified bidders list is published. 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 highest eligibility amongst those combinations</p>

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		of Blocks per Service Areas that could be obtained with the EMD applied for by the Bidder.
246.	In terms of Note 1 and 3 and the explanations thereto on page 101/102 of the NIA, if networth of promoter is not being considered, the net worth and paid-up capital certificates in respect of promoters are not to be provided. Kindly confirm.	Certificates need not be provided in such a case, however, information needs to be provided.
247.	In Clause 8 of the Application format at page 103 of the NIA, should reference to point 6(a) in the note be read as 6(b)?	Kindly refer to Amendment No. 3 to this NIA.
248	Clause 3.8 of the NIA mentions that validity period of spectrum shall be 20 years from the “Effective Date”. We request that such Effective Date for the computation of validity period should commence from the date of allocation of spectrum and not from the Date of LOI or the Preferred Date of Allotment indicated by successful bidder. This is essential otherwise if there is a gap between the date of Allocation and Date of LOI or the Preferred Date then the Successful Bidder will have to pay for 20 years but will be able to use spectrum for a lesser period of time. We request that condition be amended accordingly.	No change in NIA conditions.
249.	Can DoT prescribe definitive timeline for allocation of spectrum in Clause 3.8 of NIA? This is necessary seeing the past experience where there have been delays.	NIA is self-explanatory.
250.	Page 37 of NIA mentions that “For service areas where neither the Group Bidding Entity, nor any of its Associated Licensees are existing UAS/CMTS/UL(AS)/UL Licensees with access service authorization,anundertakingconfirmingthat,iftheApplicantissuccessfulinwinning spectrum in	Kindly refer to Amendment No.3 to this NIA.

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	<p>any such service area, it shall acquire a Unified License in advance of starting commercial operations.”</p> <p>In such a case the Applicant is allowed as per respective undertaking format in 8.3.3. of the NIA to also acquire the License with respective authorization for access service through its Associated Licensees or through a wholly owned subsidiary or accompany nominated by the Applicant Company where the Applicant has at least 26%. We therefore request that provisions at page 37 of NIA be amended accordingly and these should be made in consonance with the corresponding clause in undertaking format given in Annexure 8.3.3. Please clarify.</p>	
251.	DoT may kindly share the spectrum holding of all existing licensees for all service areas in all the bands being considered for Spectrum Holding Capping Rule. This will provide transparency to all stakeholders on the spectrum caps.	Quantum of spectrum holdings (operator, and service area wise) may be seen on DoT website.
252.	The current EMF self-certification norms/guidelines, especially those pertaining to up-gradation, do not take into account the scenario of spectrum changeover and further changes/up- gradations on account of spectrum in new band allocated to different operator. The certification is impossible to be met in case of such changeover processes. The concerns have been shared with DoT in regard to Delhi, Mumbai and Kolkata having such changeovers etc. at an unprecedented scale. DoT and DoT is fully aware of the issues involved as regard to self-certification. DoT is requested to issue guidelines EMF certification to take care of such a spectrum changeover scenario.	No change in NIA conditions.
253.	The NIA states that in case of New Entrants, upon declaration as successful applicant, the	Licensees whose licences are

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	<p>applicant Company can apply to AS Wing of DoT for grant of anLoI for Unified License for applicable service area for which it proposes to participate in the auction. The date of validity of LoI to be issued on completion of the application for grant of Unified License shall be 20 days after the date of declaration of successful bidder. This provision does not address the case of licensees issued in 1995-96. DoT may kindly clarify the process for migrating to a Unified License in case of such licensees.</p>	<p>expiring in 15-16 are to apply for UL.</p>
254.	<p>The Eligibility Points per block in table 5-H for 900MHz for UP(East) and UP(W) are mentioned incorrectly. They are same as that of Eligibility Points for 1800MHz. DoT may increase the eligibility Points for 900MHz for UP(East) and UP(West) to 143.</p>	<p>Kindly refer to Amendment No.2 to this NIA.</p>
255.	<p>Clause 1.3 of NIA mentions as follows: 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 or acquired through auction conducted in 2010, 2012, 2013, 2014 and onwards. No charges will be levied for rearrangement of frequency spots. We submit that as per DoT spectrum allocated before 2010 auctions needs to be liberalized for the purpose of frequency reconfiguration/ rearrangement or harmonization amongst operators. Without prejudice, we submit that such reconfiguration may be required for overall efficient use of spectrum by all users and where the technology and service will remain same for operators having spectrum allocated to them before 2010. Thus, this condition to pay for liberalization even for harmonisation purposes may go against overall policy objectives of efficient use of spectrum. We request that such condition should not be imposed on the users. This condition in the NIA is also against TRAI’s recommendations on frequency re-arrangement. Please clarify.</p>	<p>No change in NIA conditions.</p>
256.	<p>NIA mentions simultaneous auction of 2100 MHz along with other spectrum bands in this NIA.</p>	<p>Kindly refer to</p>

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	<p>However, the NIA mentions that details regarding 2100MHz will be issued later. This is a key factor without which this NIA is an incomplete notice, unascertained and cannot be further acted upon used for making decisions. Even the pre bid conference has been held based on this incomplete NIA and same concerns were raised by most of the stakeholders present. In light of this even our queries may not be correct or may not be complete or there may be more queries once the NIA is fully provided by including all relevant details regarding 2100MHz. We have requested DoT to consider inclusion of 15-20 MHz of 2100 MHz spectrum (as recommended by TRAI for valid reasons and reiterated by it in its response to reference back on 15 January 2015) in the NIA, which NIA should be issued afresh followed by the pre-bid conference, queries and responses with remaining timelines to be scheduled accordingly. We request consideration of the same and request an early clarity.</p>	<p>Amendment No.1 and Amendment No.2 to this NIA.</p>
257.	<p>In respect of existing 2100MHz spectrum allocations in 2010, DoT is fully aware and accepts that there is heavy interference in service areas of Haryana and Gujarat. Kindly confirm and ensure that issue of this major interference being faced will be addressed now by swapping, if there is no other solution with WPC-DoT, so that only clean spectrum, for which DoT has been paid the consideration as per 2010 Auctions, is put to use at least henceforth to enable provision of services which have been severally hampered.</p>	<p>Spectrum being put to auction is on “as is where is” basis.</p>
258.	<p>In respect of quantum of spectrum as mentioned in Clause 2.1 of the NIA, it is submitted that TRAI has clearly cautioned that “There is a severe shortage of spectrum in both the 900 and 1800 MHz bands. Auctioning spectrum of expiring licences in such a supply- constrained situation will lead to serious problems and unintended outcomes.” We submit that the supply constrained situation continues seeing the quantum of spectrum in the NIA. Supply of both 900 and 1800 MHz can be augmented by unilateral action of the DoT. Specific measures were suggested by TRAI in this regard. TRAI has further mentioned that the end result of such an auction can only be what the Authority sketched in its Recommendations of October, 2014,</p>	<p>These are as per the decision(s) of the Government.</p>

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	<p>namely, industrial distress, a sharp fall in sectoral investment, a deterioration in the quality of service and consumer difficulties (in terms of access and/or higher tariffs) and such an auction with constrained supply of spectrum will defeat the objectives of Auction as set out in the NIA. We request you to clarify why such measures have not been taken by DoT despite recommendation of expert body like TRAI and despite the requests of various stakeholders.</p>	
259.	<p>In respect of minimum spectrum for bidding bid as mentioned in Clause 2.1 of the NIA, we submit that keeping in view the limited availability of spectrum it is preferable to reduce the requirement of the minimum quantum of spectrum that each bidder is required to bid for in the 900 MHz band. There have been detailed reasons given by stakeholders and by TRAI in support thereof. However, from the reference back of DoT it can be seen that DoT has not furnished any grounds for not agreeing with the reasons given by TRAI to reduce the minimum quantum from 2x5 MHz to 2x3.6/2.4 MHz. We request reconsideration and reduction of the “minimum spectrum for bidding.</p>	<p>No change in NIA conditions.</p>
260.	<p>When will the guidelines for spectrum trading and spectrum sharing be announced by DoT? Spectrum Sharing and Trading are the main strategies regarding Spectrum Management in NTP12 to enable optimal utilisation of spectrum through appropriate regulatory framework. Respective recommendations have long back been given in this respect by TRAI. It is imperative that for fair, efficient and transparent process and for meeting the objectives of Auction as set out in the NIA, these guidelines be announced before the ensuing auctions. Is there any reason for DoT to hold back these guidelines? Kindly give some clarity.</p>	<p>Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.</p>
261.	<p>The NIA (Annexure 2C) states that each carrier in existing quantum in 800MHz is associated with 1.23 MHz bandwidth (i.e. 0.615 MHz on either side) i.e. Carrier 875.55 MHz is 874.935 to 876.165 MHz. Please clarify that since existing allocations are in block size of 1.23MHz, while current spectrum is being auctioned in blocks of 1.25MHz, how such existing blocks can be</p>	<p>NIA is self-explanatory.</p>

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	made contiguous with new blocks?	
262.	<p>With reference to Clause 3.9/3.10 of the NIA, in the context 800MHz spectrum, and without prejudice to our contention of the existing spectrum being technology neutral</p> <p>(a) How will the reference “market price” be determined in service areas where no contiguous 5MHz spectrum is being auctioned? Any price discovered in this auction in such service areas will be for non-contiguous spectrum and therefore not representative of the value of “liberalised” spectrum.</p> <p>(b) In service areas where contiguous 5MHz spectrum is being put to auction, how will the reference “market price” be determined in case (i) no spectrum is sold in the current auction; and (ii) some but not all spectrum is sold in the current auction.</p>	<p>NIA is self-explanatory.</p> <p>NIA is self-explanatory.</p>
263.	DoT is requested to clarify why 1.8MHz in 1800MHz is still being reserved for Aircel in case DoT has not realised the money as per its demand. This 1.8MHz should be made available for auction and should not be with-held. Please clarify	Matter is sub-judice.
264.	The SUC on 800MHz spectrum allocated pursuant to this auction will be @5% of AGR as in the case of 900/1800MHz bands. Please confirm.	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.
265.	The Press Release dated 31-January-2014 sated that the Cabinet noted that as a matter of policy, it is desirable to move to a flat rate SUC and adoption of a weighted average would provide a path for such transition. It further stated that the above decisions are expected to improve the bidding sentiment in the forthcoming auction. Is there any time line to move to a flat rate of SUC?	NIA is self-explanatory.
266.	DoT may clarify that he CDMA operators will be free to provide any technology for the mobile networks i.e. GSM/LTE after getting the existing 800MHz spectrum liberalized and that the DoT will facilitate the harmonization of spectrum, wherever needed.	NIA is self-explanatory.

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267.	<p>Request to allow Existing Licensees whose licenses are expiring in 2015-16 to bid for minimum of 4.4MHz of 900 MHz spectrum in North East Service Area.</p> <p>Clause 2.1(b) of the NIA allows new entrants / licensees whose licenses are expiring in 2015-16 / existing licensees whose licences are not expiring in 2015-16 & holding spectrum only in 1800MHz to bid for minimum of 5 MHz of spectrum in 900MHz, except in WB.</p> <p>Considering the above-said auction design rule and availability of only 8.8mHz of 900MHz available for forthcoming auction in N.E. circle, both existing licensees whose licences are expiring in 2015-16 will not be able to win back their existing quantum of 4.4MHz each in 900MHz, thereby leading to a situation that only one of such licensee may be able to acquire 5MHz of 900MHz and other licensee will be deprived of the 900MHz spectrum.</p> <p>We believe that equal opportunity should be provided to the existing licensees whose licences are expiring in NE in 2015-16 to win back their current holdings of 4.4 MHz in 900mHz.</p> <p>It is therefore pertinent that DoT may kindly revisit its decision and allow existing licensees whose licences are expiring in 2015-16 to bid for a block size of 4.4MHz in 900MHz in N E circle, so as to enable existing licensees whose licenses are expiring in 2015-16 to win back their current holding and continue serving the existing subscriber base. It may kindly be noted that the TSPs have been permitted to bid a minimum of 4.4MHz instead of 5 MHz in respect of West Bengal service area also where the quantum of available spectrum was less.</p>	<p>No change in NIA conditions.</p>
268.	<p>This is in reference to the above-mentioned NIA dated 9.01.2015.</p> <p>In this regard, we would like to highlight a serious issue which has the potential to impede achieving the objectives laid down in the NIA and seriously jeopardize and restrict competition in bidding. The extract of NIA as well as details of issue is captured below:</p> <p><i>“Bidders are required to show a networth of Rs.100 crores per service area (Rs.50 crores each for J&K and North East Service Areas), in which bidder wants to submit bids. The networth</i></p>	<p>No change in NIA conditions.</p> <p>It is also clarified that</p> <p>i) The requirement of networth (100 crores/ 50 crores)</p>

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	<p><i>requirement is applicable in case of 'New Entrants'. For this purpose:-</i></p> <p><i>a) Existing Unified Licence (Access Service)/ Existing UASL/CMTS/UL 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.</i></p> <p><i>b) Bidders whose licenses are due for expiry in 2015-16 and whose spectrum in 900 and 1800 MHz band has been put to auction will also be treated as 'New Entrants'.</i></p> <p><i>c) Entities, who are not an existing licensee, will be treated as 'New Entrants'.</i></p> <p><i>d) The network requirement is not applicable in case of Existing licensee. Existing UASL/CMTS/UL(AS)/UL licensees shall be treated as 'Existing Licensee' in those service areas for the frequency band(s)* in which they already hold spectrum.</i></p> <p><i>* 900MHz/1800 MHz bands would be treated as same band for this purpose; 800 MHz and 2100 MHz would be treated as separate bands.</i></p> <p><i>The definition of network shall be as prescribed in Guidelines for grant of Unified License issued vide DoT no. 20-281/2010-AS-I (Vol VI) dated 13.11.2014. This network requirement is to be met at the time of application for participation in the auction. The applicant shall submit a certificate to this effect signed by the Company Secretary or authorized signatory of the Company while applying for participation in Auction."</i></p> <p>To explain the anomaly e.g. for 2100 MHz expected to be put up for auction under this NIA, it is unfair to treat it as a different band from 900/1800 MHz, for the purpose of Network. By treating 2100 MHz as a different band, excessive restrictions are being placed on the existing operators indirectly thus, making it impossible for some of the existing players to meet the same and hence, participate. Since, no existing operator has got earlier pan-India 2100 MHz spectrum, if the restriction applies some of the major players may get ineligible for participation in auction merely because so far they are not been able to become Network positive even though they have made huge investments to the extent of Thousands of Crore</p>	<p>to be shown is per service area (and not band) for such service areas in such bands, where that bidder is a new entrant. Therefore, a bidder, who is a new entrant in all the three bands (2100, 1800/900 and 800) will need to show a network of 100 crores (or 50 crores in case of NE, J&K) only for bidding in all the three bands.</p> <p>ii) Further, e.g. - an existing licensee with negative network and holding spectrum in say 1800 or 900 MHz band, can bid in 1800/900 band. But, such a bidder would not be</p>

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	<p>INR and contribute hundreds of Crore via means of license & spectrum fees.</p> <p>For example, Aircel Group has Pan-India access license, with 900/1800 MHz spectrum in 22 service areas, 2100 MHz in 13 service areas and 2300 MHz spectrum in 8 service areas. With such large investment and capital spent in procuring license, 2100, 2300 and 1800 MHz spectrum across so many areas, Aircel Group and all similarly placed operators would be denied an opportunity to bid in the 2100 MHz auction, in circles where it does not have existing 2100 MHz spectrum.</p> <p>Therefore, if this anomaly is not corrected such players can never have pan-India footprints thereby not only penalizing the operators but, its subscribers as well. At the same time, it would tend to selectively help the operators with deep pockets and thereby seriously jeopardizing the level playing field and competitive forces.</p> <p>Contrary to Objectives of NIA: We would like to reproduce the extract of objectives stated in the said NIA, as follows:-</p> <ul style="list-style-type: none"> • <i>“ Obtain a market determined price of Spectrum in 2100 MHz, 1800 MHz, 900 MHz and 800 MHz bands through a transparent process;</i> • <i>Stimulate competition in the sector;</i> • <i>Maximise revenue proceeds from the Auctions within the set parameters.”</i> <p>The above-said issue of Network would hinder and derail the objectives stated-above. By putting artificial restrictions and making serious existing operators ineligible to participate, the market determined price would not be available and revenues from auctions may not be maximized. It will only lead to operators having deep pockets, who may then get spectrum with lessor bidding/price.</p> <p>Liberalized and technology neutral spectrum band do not need legacy based categorization: With the present licensing policy & technological evolution, all the spectrum bands band can be</p>	<p>eligible to bid in 2100MHz or 800 MHz bands, unless it uses the network of its promoters (>= 10% direct equity holding).</p>

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	<p>used to provide technologically neutral 2G/3G/4G services, for example 900MHz band & 2100 MHz band are now both developed 3G bands. Similarly, both 1800 MHz and 800 MHz bands are being extensively used for LTE services providing high speed data services that are superior to 3G services. Now, an existing operator with spectrum holding in 1800 MHz or 900 MHz band can bid for these bands but, will not be able to bid for 800 MHz / 2100 MHz for providing same set of high speed services (4G/3G), in case the operator is unable to meet the network criteria. Therefore, this way of spectrum band classification for the purpose of eligibility / network creates restriction thereby limiting the number of participants in auction.</p> <p>Our Submission on Network:</p> <p>Considering all above plausible reasons, we request you to kindly intervene and remove Network eligibility criteria for existing telecom operators, who have spectrum in any band i.e. 800 MHz / 900 MHz / 1800 MHz / 2100 MHz in a service area. A suggestive change in the text of NIA is also given below:</p> <p>“3.2 (vii) d) * 800 MHz/900MHz/1800MHz/2100 MHz bands would be treated as same band for this purpose; 800 MHz and 2100 MHz would be treated as separate bands.”</p> <p>Similar references in the NIA may please be amended. We hope above would meet DoT’s kind consideration and an amendment to NIA would be issued timely.</p>	
269.	<p>Subject: <u>Interference Free Spectrum to be made Available</u></p> <p>heavy interference in 2100 MHz spectrum allocated in LSAs like Punjab, Gujarat, J&K and Haryana through auction in 2100 MHz band in April 2010.</p> <p>The TSPs as well as the Associations have been representing this issue of interference in 3G band since 2011 to the DoT, WPC and WMOs at circle levels at various occasions. WPC has</p>	Spectrum being put to auction is on “as is where is” basis.

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	<p>itself acknowledged vide its letter dated July 11, 2011 that in some cases / locations the source of interference appears to be from across the border, however; till date the issue has not been resolved and the TSPs are still struggling to get clean spectrum in these LSAs, despite paying huge market price at the time of auction for interference free and “usable” spectrum.</p> <p>It has already been conveyed that the delay in resolution of this interference issue is adversely affecting the desired 3G expansion / roll out plans of the TSPs in these areas which means considerable and continuous drain on the operational cost and huge potential revenue loss.</p> <p>We request your urgent intervention in the issue and request that: Before putting the 3G blocks for auction, the interfered spectrum of existing operators needs to be resolved - in all the above mentioned service areas. Our member operators should be allocated an equal amount of interference free band for providing adequate quality of 3G services in these service areas.</p> <p>In this regard, it is also pertinent to note that the TRAI has also recommended the following in its recommendations on Valuation and Reserve Price of Spectrum: 2100 MHz Band dated December 31, 2014:</p> <p><i>“4.5 The Authority recommends that the issue of interference, reported in the 2100 MHz band in some LSAs, needs to be resolved before putting fresh spectrum blocks to auction in these LSAs. Further, it is imperative to ensure that spectrum blocks being put to auction are interference-free.”</i></p> <p>In the absence of clean frequency, the services itself could not be offered commercially in the complete service area, then it would not be possible for our member operators to meet the 3G Minimum Rollout Obligations in such LSAs in a timely manner. Hence the Rollout Obligations neither can be met, nor should be enforced upon till the existing spectrum block is replaced by totally interference free spectrum block by the DoT.</p> <p>We thus request the Government to kindly accept the TRAI recommendations in this regard we</p>	

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	also look forward for an early resolution of the issue.											
270.	<p>Pls refer to page 40 of NIA, Clause 4.2.4, para 5, specifies that EMD amount may be broken up into 5 different EMD letters.</p> <p>In view of the quantum of spectrum and EMD amounts involved, request this restriction be removed or at least amended to allow for at least 10 EMD letters</p>	No changes in NIA condition.										
271.	<p>Sec 4.7 allotment of spectrum: The spectrum allotment letter for 1800 MHz acquired through the auction held in 2014 mentions the following about emissions from the base station</p> <table border="1" data-bbox="388 673 1549 963"> <thead> <tr> <th>SA</th> <th>Freq carriers in MHz</th> <th>Power in Watts</th> <th>Emission</th> <th>Hours of operation</th> </tr> </thead> <tbody> <tr> <td>ABC</td> <td>As per annexure</td> <td>2/20 W</td> <td>5MOOG7W 3MOOG7W 1M4OG7W</td> <td>H-24</td> </tr> </tbody> </table> <p>In this context, please confirm our understanding of the transmit power regulation as follows?</p> <ul style="list-style-type: none"> • 20 watts of power is allowed per transmit port of the base station (eNodeB) sector and per 5 MHz channel. • In this auction, if an operator acquires second 5 MHz channel in the same spectrum band, which may be contiguous or non-contiguous with the first 5 MHz channel, then he will be allowed to radiate additional 20 watt per transmit port of the eNodeB sector for the second 5 MHz channel. 	SA	Freq carriers in MHz	Power in Watts	Emission	Hours of operation	ABC	As per annexure	2/20 W	5MOOG7W 3MOOG7W 1M4OG7W	H-24	As per prevailing procedures and norms.
SA	Freq carriers in MHz	Power in Watts	Emission	Hours of operation								
ABC	As per annexure	2/20 W	5MOOG7W 3MOOG7W 1M4OG7W	H-24								
272.	Section 5.5 Frequency Identification Stage: In case of 800 MHz band NIA provision states that “However, in 800 MHz band, in such Service Areas, where only 3.75 MHz (3 blocks) or 2.5 MHz	Allocation of non-contiguous										

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	<p>(2 blocks) spectrum is available, for contiguous spectrum, allocation will be performed for bidders who have won a minimum of 3.75 MHz or 2.50 MHz spectrum respectively. All such bidders will be considered for contiguous spectrum in order of their ranking, subject to availability of contiguous spectrum.”</p> <p>In view of this please confirm our understanding as per following. In 800 MHz band, in such Service Areas (such as Haryana, Orissa etc.), where spectrum availability is 5 MHz or more but the largest contiguous spectrum available is 3.75 MHz or 2.5 MHz, allocation will be performed for bidders in the order of their ranking. For bidders who have won a minimum of 5 MHz the allocation will contain the largest contiguous spectrum available (e.g. In Orissa Service area the first ranked bidder with 5 MHz will necessarily get allocation of 3.75 MHz contiguous spectrum + 1.25 MHz non-contiguous spectrum).</p>	<p>spectrum would be done on the basis of Ranking and best fit to the quantum of spectrum won. This is also applicable to the examples on pages 80, 81 and 82, in respect of allocation of non-contiguous.</p>
273.	<p>Discrepancies:</p> <p>1) Annexure 2A-1880 MHz</p> <p>Karnataka – Slot C mentions two carriers 1743.6/1838.6 and 1744.6/1839.6 which are not contiguous. Hence in our opinion the second carrier should be 1743.8/1838.8 instead of 1744.6/1839.6 to maintain the contiguity. Secondly the carrier 1744.6/1839.6 is the centrefrequency of 1744.50/1839.5 (UL) and 1744.70/1839.7 (DL) allocated to Airtel post auctions held during 2014.</p> <p>2) Annexure 2B- 900 MHz</p> <p>UP West- Vodafone spots (890.2- 896.2/935.2-941.2 – 6.2MHZ) have been shown which is not part of the auction spectrum. This should be replaced with IDEA spectrum (896.4-902.4/956.4-</p>	<p>Kindly refer to Amendment No.2 to this NIA.</p>

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	<p>947.4- 6.2MHz) – Already raised in earlier query</p> <p>UP EAST- Airtel spots (890.2- 896.2/935.2-941.2 – 6.2MHZ) have been shown which is not part of the auction spectrum. This should be replaced with Vodafone spectrum (896.4-902.4/956.4-947.4- 6.2MHz)</p> <p>Maharashtra- Vodafone has 890.2- 896.2/935.2-941.2 – 6.2MHZ in 900 MHz except 4.4 MHz in GMRT area in 1800 MHz.</p> <p>You are requested to consider the same.</p>	
274.	<p>In case of a 1995-96 license for a particular Service Area, expiring as per DoT and its spectrum allotted before 2010 in 1800 & 900 is put for auction (which license say is in name of X company), if a Group Bidding Entity (GBE) of X (say Y company)) participates in the auction and acquires spectrum in that particular service area (s) then can the Unified License (Access Services) for such service area(s) be taken in name of the GBE (Y company) or any of its other Associated Licensees instead of X Company? It should be possible, since the choice has been given to take License in name of GBE or its wholly owned subsidiary company or its associated company.</p> <p>In such case the spectrum acquired by X under UASL through auctions carried out in 2010/2012/2014 and resources held by X, will stand transferred to the Unified License (Access Services) taken by GBE or any of its other Associated Licensees for the respective service areas. Please clarify.</p>	As per UL guidelines.
275.	<p>1. We write this letter in the context of Notice for Inviting Applications for Auction of spectrum in 2100, 1800, 900 and 800 MHz bands, issued on 9 January 2015 (“NIA”) and more particularly Clause 3.10 of the NIA, which reads as under:</p>	No change in NIA conditions.

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	<p><i>“Regarding rate of charging for making spectrum contiguous, acquired in the auction held in March 2013, the licensee in such cases would be charged differential of the latest auction price and the March 2013 auction price on pro-rata basis on the balance period of right to use the spectrum.”</i></p> <p>2. A reading of the aforesaid clause of the NIA shows that for making spectrum acquired in 800 MHz band in the 2013 auction contiguous, the licensee has to make the payment <u>at differential of the latest auction price and the March 2013 auction price</u> on pro rata basis <u>on the balance period of right to use spectrum</u>. We are quite surprised by the aforesaid prescription of levy of additional charge. You would appreciate that SSTL was the only bidder in 800 MHz in 2013 and as such <u>this clause is applicable only to SSTL</u>.</p> <p>3. While clause 3.10 seems to suggest that payment has to be made to make the spectrum in 800 MHz acquired in 2013 contiguous, the NIA at the same time at pages 8 and 84 has also provided for following:</p> <p><i>“Frequency reconfiguration i.e. rearrangement of spot frequencies in the same band, 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 or acquired through auction conducted in 2010, 2012, 2013, 2014 and onwards. <u>No charges will be levied for rearrangement of frequency spots.</u>”</i></p> <p>4. You would appreciate that the sole purpose for frequency reconfiguration is nothing but contiguity and for such frequency reconfiguration no payment is to be made as per the NIA. Strangely for making the spectrum in 800 MHz band acquired in 2013 auction contiguous, additional payment has to be now made in terms of clause 3.10 of NIA. <u>The aforesaid clauses of NIA, in our view, are contradictory.</u></p> <p>5. Apart from above, we are also at loss to understand and have not appreciated as to what was so peculiar about the spectrum auction in 800 MHz band in March 2013 which was</p>	

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	<p>not there in the auctions conducted prior and after March 2013 i.e. 2010, 2012 and 2014 that clause 3.10 has been incorporated. Moreover, similar condition of payment of additional charge for contiguity is not there for other bands and operators are free to rearrange/seek contiguous spectrum free of charge. While the price for contiguous and non-contiguous spectrum in 1800 MHz and 900 MHz bands is same in the proposed auction, making a condition of payment for making contiguous spectrum in 800 MHz acquired in 2013 auction is discriminatory and devoid of any rationale/basis. This clearly shows that SSTL has been singled out for discriminatory treatment. Thus clause 3.10 is <i>per se</i> discriminatory in nature. The acquisition of spectrum in auction by SSTL is no less valued than the spectrum acquired by other operators in other bands and there cannot be any discriminatory treatment between different types of spectrum particularly when the spectrum is acquired through auction.</p> <p>6. Clause 3.10 of the NIA dated 9 January 2015 is also unreasonable in as much as it seeks to make a distinction between contiguous and non-contiguous spectrum in 800 MHz band by prescribing additional charge for making spectrum acquired in 2013 auction contiguous. You would appreciate that TRAI also did not take into consideration the contiguity/non-contiguity aspect into consideration while fixing the reserve price for auction in its recommendations dated 22 February 2014 and as explained in response dated 27 November 2014 to reference from GOI on the aforesaid recommendations as is clear from the following relevant extract:</p> <p><i>“The Authority did not proceed on the basis of any presumption while recommending the reserve price for the spectrum in the 800 MHz spectrum. The Authority, in making its Recommendations on contiguity, was pointing to the need for contiguity to unlock the value of spectrum by increasing spectral efficiency and reducing associated transaction costs. The valuation and reserve prices set were not contingent on the contiguity of spectrum. Nowhere had the Authority presumed that contiguous blocks of spectrum would be available while making its Recommendations on valuation and reserve price. The burden of any presumption to the contrary will lie with DoT, and not with the</i></p>	

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	<p data-bbox="478 321 613 350"><i>Authority.”</i></p> <p data-bbox="388 386 1556 561">This means that the TRAI itself was conscious that there is no separate charge for contiguity and basic premise is that every operator who takes part in auction and is successful shall be given the contiguous spectrum and if this contiguous spectrum is not available, then the reconfiguration/rearrangement of frequencies will take place without any charge. Clause 3.10 also goes against the said understanding of the sector regulator, TRAI.</p> <p data-bbox="388 602 1556 992">7. Without going into history / circumstances in which the auctions were conducted in 2012, 2013 and 2014, you would appreciate that SSTL took part in the auction of spectrum in 800 MHz on the terms and conditions contained in NIA issued by GOI on 30 January 2013. The terms and conditions of aforesaid NIA govern, the acquired spectrum, during the entire period for which spectrum was acquired and no onerous condition can be applied subsequently. Our decision to participate in the said auction was based upon the clear understanding of the legal and regulatory framework and the promises made by GOI, which suggested that 800 MHz would be treated fairly like any other spectrum band and all opportunities like rearrangement of frequencies into contiguous spectrum, when possible, would be available for the future growth and up-gradation of networks. In fact clause 6.5 of the NIA dated 30 January 2013 inter-alia provides as under:</p> <p data-bbox="422 1003 1556 1105"><i>“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.</i></p> <p data-bbox="422 1114 1220 1143"><u>No charges will be levied for rearrangement of frequency spots.”</u></p> <p data-bbox="388 1182 1556 1352">8. The NIA dated 30 January 2013 nowhere suggested that in future, for making spectrum acquired in the 2013 auction contiguous additional payments have to be made. GoI cannot now go back on the express terms and conditions of NIA dated 30 January 2013 particularly when SSTL has acted upon said promises and made investment. Incorporation of clause 3.10 in NIA dated 9 January 2015 amounts to going back and renegeing from the promises made by</p>	

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	<p>GOI. Clause 3.10 of NIA dated 9 January 2015 implies that the new terms and conditions are being imposed qua the spectrum acquired by SSTL in 2013; which amounts to unilateral and retrospective amendment of the contract . This is impermissible.</p> <p>9. You would appreciate that the spectrum auctioned in 2013 and in the forthcoming auction is a liberalized spectrum i.e. operators are free to deploy any technology including Next Generation Technologies like LTE for which requirement of contiguous spectrum is inherent. Therefore allocation of spectrum in contiguous blocks, wherever available, is inherent in the scheme and no additional charges can be levied subsequently for rearrangement of frequencies into contiguous spectrum.</p> <p>11. SSTL has made long term investment in India in excess of USD 3.6 billion and has clear strategy to make significant additional investment in network upgradation. However, it would not be possible unless frequencies are allocated in contiguous block and/or if SSTL is called to make payments for making spectrum acquired in 2013 auction contiguous.</p> <p><u>Request</u></p> <p>In view of the above, we urge the Government of India to delete Clause 3.10 of NIA dated 9 January 2014</p>	
276.	<p><u>Clause 2.1 c) II (Details of 800 MHz band)</u> mandates the minimum blocks a new entrant is required to bid based on the spectrum availability in a particular LSA. However the reading of this clause along with the annexure 2C indicates than in many LSAs the availability of contiguous blocks of spectrum is much lower than the availability of total spectrum. For instance in Orissa total 6 blocks are available for auction and whereas only 3 blocks of contiguous spectrum is available.</p> <p>In such scenarios the new entrant will be unnecessarily burdened with non-contiguous spectrum along with the contiguous blocks of spectrum, without being able to effectively utilize</p>	No change in NIA conditions.

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	<p>it. It should also be noted that the new and efficient technologies like LTE etc. can be deployed even with contiguous spectrum which is less than 5 MHz such as 1.4 MHz or 3 MHz.</p> <p>Taking this into consideration, the NIA already has made provision for 1800 MHz spectrum band that “In the LSAs, where total of 5 MHz (paired) or more spectrum is not available or where 5MHz (paired) or more spectrum is available but contiguous chunk of 5 MHz (paired) is not available in 1800 MHz band, the new entrants as well those licensees whose licenses are expiring in 2015-16 would be required to bid for a minimum of 0.6 MHz (paired).”</p> <p>In view of this and to serve the auction objectives of stimulating competition in sector and to ensure efficient use of spectrum, the provision made for 1800 MHz band should be extended to the spectrum in 800 MHz band. Therefore the minimum blocks bid requirement for a new entrant in 800 MHz band should be amended as per following</p> <p>“II. A new entrant is required to bid</p> <p>a. For a minimum of 4 block, in those LSAs where 4 or more contiguous blocks are available</p> <p>b. For a minimum of 3 block, in those LSAs where less than 4 contiguous blocks but equal to 3 contiguous blocks is available</p> <p>c. For a minimum of 2 block, in those LSAs where less than 3 contiguous blocks but equal to 2 contiguous blocks is available”</p>	
277.	<p><u>Clause 2.1 c) I (Block size in 800 MHz band)</u> The NIA has specified 1.25 MHz as block size in 800 MHz band and the calculations for reserve price, EMD, eligibility points are all based on this quantification of the spectrum block size. However the Annexure 2C provides for 1.23 MHz</p>	No change in NIA conditions.

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	<p>block size. We therefore request DoT to clarify this anomaly. In the event the block size is going to be 1.23 MHz, the reserve price, EMD amount etc. in the NIA should be revised accordingly.</p>	
278.	<p><u>Clause 8.3.1 6-3-I(ii) (Application format)</u> states that “Audited certificates for “Networth” and “Paid Up capital” as on 31-12-2014, signed by Company Secretary or Authorized Certificates, would be submitted by the Company, not later than 15-02-2015.” In this respect please confirm our following understanding</p> <p>a. Ifnetworth of promoter is not used for meeting the eligibility criteria for the auction by the applicant company, audited certificate need not be given for the promoter network and paid up capital.</p> <p>b. Certificate from the Auditor of the applicant company would also be required certifying Network and Paid up capital as on 31-12-2014</p> <p>c. The date for submission of such certificate from the auditor would be suitably extended in view of revised schedule</p>	<p>a. Certificates need not be provided in such a case, however, information needs to be provided.</p> <p>b & c) Please refer Amendment No. 3</p>
279.	<p>Section 5.5 Frequency Identification Stage: In case of 800 MHz band NIA provision states that “However, in 800 MHz band, in such Service Areas, where only 3.75 MHz (3 blocks) or 2.5 MHz (2 blocks) spectrum is available, for contiguous spectrum, allocation will be performed for bidders who have won a minimum of 3.75 MHz or 2.50 MHz spectrum respectively. All such bidders will be considered for contiguous spectrum in order of their ranking, subject to availability of contiguous spectrum.”</p> <p>In view of this please confirm our understanding as per following. In 800 MHz band, in such Service Areas (such as Haryana, Orissa etc.), where spectrum availability is 5 MHz or more but the largest contiguous spectrum available is 3.75 MHz or 2.5 MHz, allocation will be performed</p>	<p>Allocation of non-contiguous spectrum would be done on the basis of Ranking and best fit to the quantum of spectrum won. This is also applicable to the examples on pages</p>

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	for bidders in the order of their ranking. For bidders who have won a minimum of 5 MHz the allocation will contain the largest contiguous spectrum available (e.g. In Orissa Service area the first ranked bidder with 5 MHz will necessarily get allocation of 3.75 MHz contiguous spectrum + 1.25 MHz non-contiguous spectrum).	80, 81 and 82, in respect of allocation of non-contiguous.
280.	<p>Reference Amendment no 2 Annexure 2-A 1800 MHz Carriers</p> <p>Q According to “Annexure 2-A, Amendment 2” the number of blocks sold in the 1800 MHz band in Gujarat has been increased from 17 is 18. This will impact all tables in the NIA including blocks and amounts sold (e.g. Table 5.A). Could DoT please publish amendments to the NIA accordingly”</p> <p>Recommendation: We fully support that DoT publishes amendments to the NIA. When new amendments are made, could DoT please also publish a complete updated last version of the NIA on DoT’s auction website</p>	Kindly refer to Amendment No. 3 to this NIA.
281.	<p>Reference Following New Clause 3.6.1.2 Rollout Obligations for Spectrum in 2100MHz band is inserted (page 7)</p> <p>Q : The DHQs should be replaced with „DHQs or towns in lieu thereof“. This has been the norm for rollout obligations as prescribed in earlier NIAs. DOT may issue the necessary amendment.</p>	No change in NIA conditions.
282.	<p>Reference 3.6.1.2 (ii) New Entrants acquiring spectrum 2100 MHz band will have the following rollout obligations:</p> <p>Q: What is the cumulative percentage of DHQs or towns in lieu thereof, that a new entrant has to</p>	NIA is self-explanatory.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	cover at the end of 5 years in order to fulfill the minimum rollout obligation prescribed in 3.6.1.2(ii)	
283.	<p>Reference Page 7, Para 5 – Clock Stage This Para is modified and may be read as:</p> <p>The following note has been taken out in the Amendment No 2 * For this purpose, 900 MHz and 1800 MHz bands would be treated as one.</p> <p>Q: DOT may kindly retain the above note below the para 5 on page 7.</p>	Kindly refer to Amendment No.2 to NIA.
284.	<p>Reference Overall NIA</p> <p>Q In view of the above we request DoT to publish a complete updated last version of NIA on the website.</p>	No change in NIA conditions.
285.	<p>Reference Annexure 2 A, B, C</p> <p>WPC has published the quantum of spectrum held by various licensees in different bands as on 31.Jan.2015.</p> <p>While the spot frequencies from Y2010, Y2012, Y2013, Y2014 auctions are available in publicdomain, there has been mutual exchange of frequencies (not available in public domain). The information on administrative allocations prior to Y2010 as well as the guard band and vacant spectrum is not available in public domain. These are valuable information for spectrum evaluation.</p> <p>Q:</p>	This is not related to present auction.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>We request that the following information may be published on a pan-India basis and made part of NIA:</p> <ul style="list-style-type: none"> • Spot frequency of allocations to TSPs • Guard band • Vacant spectrum 	
286.	An Existing Licensee, holding UAS License in a Circle, wants to bid for 2100 MHz in the same Circle wherein it does not hold the 2100 MHz. So, it will bid as New Entrant. If 2100 MHz is won through the auction, does such Existing Licensee compulsorily need to migrate to Unified License or its existing UAS license will be amended for usage of 2100 MHz band?	UL guidelines are self-explanatory
287.	The current Spectrum Usage Charges for 2100 MHz is governed by the clause 3.5 of NIA issued on 25.02.2010 for Auction of 3G and Broadband Spectrum. Please confirm that same clause is applicable for SUC for the /spectrum won in 2100 MHz band during the current auction	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.
288.	Amendment No 2 to NIA issued on 29.01.2015, has introduced an additional clause 3.6.1.2 on Rollout Obligations for Spectrum in 2100MHz band only at DHQ level. Please clarify whether Block Headquarter (BHQ) level rollout obligation is also applicable to newly acquired spectrum in 2100 MHz band.	No change in NIA conditions.
289.	When will DoT come out with final TSTP for 2.1GHz spectrum given in 2010? TRAI has recommended that the final TSTP be issued before the auctions. This will lead to informed bidding.	This is not related to present auction.
290.	In respect, the revision in Clause 3.7 pertaining to spectrum usage charges vide Amendment No. 2 to Notice Inviting Applications Dated 9th Jan 2015 issued on 29 January 2015 request that DoT may clearly state the rates at which SUC will be charged for all the bands being put into auction.	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response			
291.	<p>There is severe interference in the already auctioned spectrum in 2.1GHz in Haryana and Gujarat. Annexure 2-D , Amendment 2 to NIA shows that following blocks in Haryana and Gujarat are being put for auction:</p> <p>Gujarat - 1954-1959 MHz 2144-2149 MHz</p> <p>Haryana - 1954-1959 MHz 2144-2149 MHz</p> <p>In past, WPC has been giving reason that interference cannot be resolved as there is no spectrum available to replace. Now when the spectrum is available to address the issue, it is being put to auction and is not being used to resolve the interference issue. Thus, these two blocks in Haryana and Gujarat must be taken out of auction considering that there is severe interference in the already auctioned spectrum in 2.1GHz and the above mentioned bands must first be used to overcome the interference issue of the operators who have already paid the consideration to DoT, set up their networks but they cannot render the services due to interference in spectrum leading to extreme customers’ dissatisfaction. Request response on the same so that interference issue can be resolved.</p>	No change in NIA conditions.			
292.	Please confirm that the amendment in UL guidelines regarding transfer of resources will continue to apply to all applicable cases of 1995-96 licenses.	UL guidelines are self-explanatory.			
293.	<p>We have tried to reconcile the spectrum caps published by the DoT in the NIA (Table 5-D, as amended) with the spectrum holdings of the operators (as on 31st January, 2015, as published by WPC) and the spectrum put up for auction. In Assam and North East, the data is not reconciling. Request DoT to clarify whether the spectrum caps for Assam and North East are correct.</p> <table border="1" data-bbox="388 1315 1186 1352"> <tr> <td data-bbox="388 1315 835 1352"></td> <td data-bbox="835 1315 1003 1352">Assam</td> <td data-bbox="1003 1315 1186 1352">North East</td> </tr> </table>		Assam	North East	Kindly refer to Amendment No.2.
	Assam	North East			

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query			Response
	Total spectrum of all operators			
	900MHz	24.8	21.2	
	1800MHz	69.1	71.8	
	800MHz	5	5	
	2100MHz	40	40	
	2300/2500MHz	60	60	
	Sub-total (A)	198.9	198	
	Total spectrum put up for auction			
	900MHz	12.4	17.6	
	1800MHz	0	16.8	
	800MHz	22.5	22.5	
	2100MHz	10	10	
	Sub-total (B)	44.9	66.9	
	Overall spectrum cap – 25% of (A + B)	60.95	66.23	
	Overall spectrum cap in NIA	62.2	67.48	
294.	In light of amendments to the NIA regarding 2.1GHz and additional queries, we request that DoT should hold one round of Pre-bid Conference on the auction process and NIA related issues in an integrated manner.			Further Pre-Bid Conference is not proposed.
295.	The NIA and its amendments use multiple spellings for the same service areas (e.g. Orissa/ Odisha; Kerala/ Kerela; Tamil Nadu/ Tamilnadu). Could it please be ensured that the consistent spellings are used by the auction software (including the various round-wise outputs produced)? This is important as bidders will use look-up functions to process the auction-generated data in order to take informed decision as well as to apprise senior management/ board etc. If the service area names are not consistent across all outputs, there is a high chance of errors in analysis and bid preparation.			Noted for the purpose of auction software.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
296.	Simultaneous auction across 4 bands has never been carried out before in India. Bidders will have to place bids in 69 different circle/ band combinations in each round (this number was 25 in the Feb '14 auction). Hence, time required for bid preparation will be a lot more than in earlier auctions. Hence, it is requested that at least 30 minutes extra be provided for submitting bids. i.e. clock round duration should be increased to at least 90 minutes	Kindly refer to Amendment No.3 to NIA.
297.	TRAI in its recommendations on valuation and RP of 2100 MHz dated 31 Dec 2014 recommended to assign the contiguous blocks of spectrum in the upcoming auction. However current NIA does not indicate any such condition. DoT may kindly confirm that it will make efforts to make the block being allocated in this auction to the winning bidder, contiguous to the existing holding of 2100 MHz of the licensee.	TSPs are permitted to re-align their spectrum holdings in 2100 MHz band amongst themselves with mutual agreement provided that due intimation of such re-alignment is acknowledged by WPC wing.
298.	DoT order dated 31st October 2014 prescribes that SUC for auctioned spectrum in 1800 MHz and 900 MHz shall be charged at 5% of AGR and in case of combination of existing spectrum in 1800 MHz and 900 MHz and the spectrum acquired through auction, the weighted average method shall be used. DoT may kindly confirm that for 2100 MHz being acquired in the current auction, the SUC for an operator holding in 900 MHz & 1800 MHz will be on the weighted avg. basis taking in to account the quantum held in 2100 MHz, 900 & 1800 MHz.	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.
299.	TRAI in its recommendations dated 15.10.2014 highlighted the issues surrounding inadequacy of spectrum and associated consequences thereof. In fact TRAI tried to address these issues vide its specific recommendations, highlighted at Para 5.1, 5.2 & 5.3 (Chapter 5 of recommendations. Please confirm the DoT response on the same.	Not relevant to the NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
300.	Further, TRAI has mentioned that the end result of such an auction can only be what the Authority mentioned in its Recommendations of October 2014, namely, industrial distress, a sharp fall in sectoral investment, a deterioration in the quality of service and consumer difficulties (in terms of access and/or higher tariffs) and such an auction with constrained supply of spectrum will defeat the objectives of Auction as set out in the NIA. We request DoT to clarify why such measures have not been taken into account despite recommendation of expert body like TRAI and despite the requests of various stakeholders.	These are as per the decision(s) of the Government.
301.	The TRAI in its recommendations has highlighted the consequences of inadequate availability in 900 MHz band and sought BSNL spectrum on account of inefficient usage and revenue impact on Government. The problem of inadequate spectrum and consequences thereof, have not been addressed by DoT in its NIA. Please confirm as to how DoT plans to address the issues highlighted by TRAI?	Not relevant to the NIA.
302.	<u>Kindly refer to page 32 of the NIA, clause Para 3.8.1</u> – Based on experience of actual implementation of switch over of 900 MHz in the Metros post Feb 14 auction, there is a need to lay down a process and time lags for date of use of spectrum to ensure smooth changeover of frequency spots. It is essential that in cases where the spectrum held by an existing operator of 900 MHz is won by an operator who is not an existing licensee whose license is coming up for renewal, sufficient gap of time should be provided between expiry of license of the existing licensee and the allocation of spectrum for use to the new operator who wins this spectrum in the auction. Kindly confirm and include the details of DoT Transition plan in the NIA.	NIA is self-explanatory.
303.	<u>There seems to be an arbitrary and significant price increase (even beyond the value prescribed by TRAI) for service areas like Andhra Pradesh and Karnataka.</u> TRAI had determined a value of Rs. 338.64 Crs / MHz of 900 MHz spectrum in AP service area. Based on this, the reserve price was recommended to be Rs. 270.91 Crs / MHz. However, the reserve price stated in the NIA is Rs. 459 Crs / MHz, which is significantly more than even the value of the spectrum arrived at by TRAI using various models for valuation. There is no rationale of keeping the reserve price higher than the value recommended by TRAI unless it is an error. Please confirm the reasons for such arbitrary price increase in Andhra Pradesh & Karnataka? Please also confirm whether DoT plans to reconsider the price increase in these service areas?	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
304.	<p>Kindly refer to the page Clause 3.8 of the NIA mentions the duration of spectrum to be 20 years from “effective date”. However in practice there are delays in allocation of spectrum earmarking. In any case there need to be specific timelines for the DoT and WPC to process and make the spectrum available for use. The effective date of 20 years for the duration of spectrum should only start from the date the spectrum is made available for use. This is particularly important now, because the price of spectrum has increased manifold from the historical price levels. Please confirm that the effective date of spectrum would be the date of earmarking of spectrum, from which date spectrum can be commercially put to use.</p> <p>In any case, request DoT to confirm the exact time frame for earmarking of spectrum from the date of completion of auction.</p>	No change in NIA conditions.
305.	<p>In the auctions held in February 2014, an operator who wanted to bid for 900 MHz spectrum had to bid for a minimum of 5 MHz (please refer to clause 2.1.a).III of NIA issued for February 2014 auction). However, the present NIA at clause 2.1.b).IV specifies as under: <i>IV. The existing licensees whose licenses are not expiring in 2015-16 and holding spectrum in 900 MHz band in a service area may be allowed to bid for a minimum of 0.6 MHz (paired).</i></p> <p>The above would imply that the existing holders of 900 MHz spectrum whose licenses are not expiring are allowed to bid for less than 5 MHz. This is at variance with the earlier auction held in February 2014.</p> <p>It is submitted that this condition should be maintained similar to conditions of earlier auction of Feb’14 i.e. <u>any bidder should be allowed to bid for a minimum of 5 MHz</u>, as otherwise it can give rise to a disruptive and predatory bidding behavior where in the auction in circles like Assam, Bihar, Odisha, UPW, UPE and WB where one license is expiring and the other is coming up for renewal later, the price can be driven up by bidding for small quantities. The consequences of such bidding behavior can be grave and could potentially lead to disruption of</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response												
	<p>services and loss of investments.</p> <p>The TRAI was itself concerned with such a situation and had accordingly provided detailed recommendations including making more spectrum available for this auction through various means.</p> <p>Request DoT to please take note of the above and confirm that bidding conditions and treatment of expiring licenses in 2015-16 would be no different from the Metro licenses which expired in 2014.</p>													
306.	<p>Expiry of some of the licenses for Punjab and Karnataka is more than 12 months away. What is the rationale for putting these also for auction in present auction?</p> <p>If these licenses are auctioned now, the bidder would be required to make payments right now, even though the actual spectrum would be allocated more than a year later. Licensee should be allowed to make the payment at a later date compared to the payment date for the license expiring in Dec'15. This is also important to ensure level playing field. Please confirm?</p>	No change in NIA conditions.												
307.	<p>Quantum of 1800MHz spectrum put to auction should be equal to 'Expiring Spectrum + Unsold Spectrum of Feb'14 auction'. However, the quantity put to auction is lower in the following circles.</p> <table border="1" data-bbox="525 1055 1417 1356"> <thead> <tr> <th>Circle</th> <th>Renewal 1800</th> <th>1800 MHz Unsold</th> <th>Total</th> <th>Put to Auction</th> <th>Difference</th> </tr> </thead> <tbody> <tr> <td>Andhra Pradesh</td> <td>4</td> <td>0</td> <td>4</td> <td>3.8</td> <td>-0.2</td> </tr> </tbody> </table>	Circle	Renewal 1800	1800 MHz Unsold	Total	Put to Auction	Difference	Andhra Pradesh	4	0	4	3.8	-0.2	<p>Spectrum released due to expiry of licenses, falling in the frequency band 1765-1785/ 1860-1880 MHz is not put for auction.</p> <p>In Maharashtra and West Bengal service areas, no spectrum in 1800</p>
Circle	Renewal 1800	1800 MHz Unsold	Total	Put to Auction	Difference									
Andhra Pradesh	4	0	4	3.8	-0.2									

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																														
	<table border="1"> <tr> <td>Karnataka</td> <td>2.2</td> <td>0.8</td> <td>3</td> <td>1.8</td> <td>-1.2</td> </tr> <tr> <td>Kerala</td> <td>1.8</td> <td>1</td> <td>2.8</td> <td>1</td> <td>-1.8</td> </tr> <tr> <td>Madhya Pradesh</td> <td>1.8</td> <td>0</td> <td>1.8</td> <td>0</td> <td>-1.8</td> </tr> <tr> <td>Maharashtra</td> <td>2</td> <td>0</td> <td>2</td> <td>0</td> <td>-2</td> </tr> <tr> <td>West Bengal</td> <td>1.8</td> <td>0</td> <td>1.8</td> <td>0</td> <td>-1.8</td> </tr> </table> <p>We request DoT to explain the reason for above difference.</p>	Karnataka	2.2	0.8	3	1.8	-1.2	Kerala	1.8	1	2.8	1	-1.8	Madhya Pradesh	1.8	0	1.8	0	-1.8	Maharashtra	2	0	2	0	-2	West Bengal	1.8	0	1.8	0	-1.8	MHz band has been put for auction.
Karnataka	2.2	0.8	3	1.8	-1.2																											
Kerala	1.8	1	2.8	1	-1.8																											
Madhya Pradesh	1.8	0	1.8	0	-1.8																											
Maharashtra	2	0	2	0	-2																											
West Bengal	1.8	0	1.8	0	-1.8																											
308.	The issue of interference is in 2100 MHz spectrum in LSAs like Punjab, Gujarat, J&K and Haryana in auctioned spectrum has been brought to the notice of DoT/WPC. However, the issue has not been resolved. Will the DoT allot clean spectrum to these operators first rather than putting it on auction?	Spectrum being put to auction is on “as is where is” basis.																														
309.	<p><u>Kindly refer to Page 72 of the NIA – Clause 5.4.6 - point with ** states as under –</u></p> <p><i>*** In any case, a bidder would be declared as a Provisional Winning Bidder only if he is allocated the minimum number of blocks required for each category of bidders for each of the Service Areas in each of the bands.”</i></p> <p>If an operator is bidding for 5MHz or more with the objective of deploying new technology then the operator at the time of placing the bid should have the option to accept or reject an allocation of less than 5MHz contiguous spectrum, as the allocation of less than 5MHz contiguous spectrum will have no value for that operator. Please confirm that this option will be available.</p> <p>We request that this issue be addressed and operators at the time of application be allowed to</p>	No change in NIA conditions.																														

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	mark the combination of circles and bands in which if they bid for 5 MHz or more, they are assured that the allocation will be atleast 5 MHz contiguous spectrum or else it will be zero. Please confirm.	
310.	What efforts have been made by WPC to ensure that the spectrum allocated and to be auctioned is interference free? What will be the responsibility of DoT in case the spectrum put to auction faces interference when it is deployed by the TSPs?	Spectrum being put to auction is on “as is where is” basis.
311.	For the purpose of calculating overall spectrum cap, DoT is requested to please confirm if there has been any change in the basis and method for determining spectrum cap in Dec, 2013 NIA and the present NIA. If yes, DoT is requested to please disclose the basis, method and reasons thereof.	NIA is self-explanatory.
312.	<p>In respect of spectrum usage charges, the NIA dated 09.01.2015 reads as below: “3.7 Spectrum usage charges</p> <p><i>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.</i></p> <p><i>The present rates of SUC are as prescribed in letter nos. P-11014/18/2008-PP dated Feb 25th 2010 & P-14010/01/2014-NTG dated 31st October 2014.”</i></p> <p>Queries were raised by various parties in the Pre-bid Conference especially regards the lack of clarity on the applicable SUC in the case of 800MHz spectrum. Further the SUC on 2100MHz was not dealt with in the NIA dated 9 January 2015.</p> <p>We are perturbed that instead of providing clarity on the above, the Clause 3.7 has been made even more ambiguous by being revised in the Amendment No. 2 to Notice Inviting</p>	Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response								
	<p>Applications Dated 9th Jan 2015 issued on 29 January 2015 to be read as</p> <p><i>“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”</i></p> <p>The Government is intending to raise thousands of crores through the forthcoming auctions. The rate of applicable spectrum usage charges for each spectrum band is a critical factor to determine the auction price willing to be paid by prospective bidders. It is imperative that there is complete clarity in this regard to ensure informed bidding. Also, the SUC rates were specified in the Feb’14 auction and hence in the interest of consistency and transparency it is essential that the rates are stated upfront as has been the case in all previous auctions.</p>									
313.	There is no clarity on whether all available spectrum is being put to auction, (including surrendered spectrum) as there is no visibility on the total holding by DoT. It is requested that DoT may kindly provide clarity on this account.	No change in NIA conditions.								
314.	<p><u>Please refer page 45 of the NIA - clause 4.10</u>, on spectrum sharing and clause 4.11 on spectrum trading. The DoT has stated that the guidelines would be issued in due course. The same query was asked by several bidders during earlier auctions too and the response from DoT was as under :</p> <table border="1"> <thead> <tr> <th>Auction</th> <th>Document</th> <th>Query</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>Nov’12 Auction</td> <td>Queries & Responses 18th September, 2012</td> <td>Request confirmation whether spectrum sharing/ transfer shall be allowed.</td> <td>Operators whose entire spectrum holding in a particular band (900 / 1800 & 800 MHz) is / has been liberalized, would be permitted to</td> </tr> </tbody> </table>	Auction	Document	Query	Response	Nov’12 Auction	Queries & Responses 18th September, 2012	Request confirmation whether spectrum sharing/ transfer shall be allowed.	Operators whose entire spectrum holding in a particular band (900 / 1800 & 800 MHz) is / has been liberalized, would be permitted to	Spectrum sharing trading guidelines are under consideration & will be issued in due course, which may not necessarily be before the Auction.
Auction	Document	Query	Response							
Nov’12 Auction	Queries & Responses 18th September, 2012	Request confirmation whether spectrum sharing/ transfer shall be allowed.	Operators whose entire spectrum holding in a particular band (900 / 1800 & 800 MHz) is / has been liberalized, would be permitted to							

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query			Response
				share spectrum without any additional onetime spectrum charge. Detailed guidelines regarding sharing of spectrum and one time charges payable for liberalizing spectrum currently held would be issued in due course.
Mar'13 Auction		Queries & Responses 20th February, 2013	When will DoT announce spectrum sharing guidelines?	Detailed guidelines regarding sharing of spectrum would be issued in due course.
Feb'14 Auction		Queries & Responses 2nd January, 2014	Please clarify the spectrum pooling /leasing policy for the spectrum put to auction before the auction so that Bidders can make informed decision.	The spectrum trading and sharing guidelines will be as notified by the government from time to time.
<p>Thus despite repeated commitments in past auctions, no guidelines on spectrum sharing and spectrum transfer have been issued by DoT. More than a year has elapsed since the last NIA was issued and we cannot have auction after auction without clarity on basic policy applicable to the resource being auctioned, especially when sufficient time has elapsed since the TRAI sent its recommendations on the subjects.</p>				

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	In view of the above, kindly confirm the guidelines will be issued before the start of the auction so that operators can participate with clarity on policy and in any case provide a time frame for issuance of guidelines on spectrum sharing and trading.	
315.	Please confirm that the amendment in UL guidelines regarding transfer of resources, including will continue apply to all applicable cases of 1995-96 licenses.	UL guidelines are self-explanatory.
316.	In the case of the Metros, the licenses of the two operators were expiring on the same day or within one day of each other. This is not the case in the Circles, which are expiring in 2015-16, where the difference in the expiry date can be as much as 4 months. In such cases, suppose the spots acquired by the TSPs are different from the existing spots, how does DoT intend to address the spectrum changeover scenarios?	NIA is self-explanatory.
317.	Given that the circumstances have changed especially regarding the total quantum of spectrum in general and lack of 1800MHz in particular, what is DoT's rationale for not accepting the TRAI's recommendations regarding block size for different service areas?	No change in NIA conditions.
318.	When will DoT come out with final TSTP for 2.1GHz spectrum given in 2010? TRAI has recommended that the final TSTP be issued before the auctions. This will lead to informed bidding?	This is not related to present auction
319.	<p>Clause 1.3 of NIA mentions as follows: <i>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 the misliberalized or acquired through auction conducted in 2010, 2012, 2013, 2014 and onwards. No charges will be levied for rearrangement of frequency spots.</i></p> <p>As per DoT, spectrum allocated before 2010 auctions needs to be liberalized for the purpose of frequency reconfiguration/ rearrangement or harmonization amongst operators. Such reconfiguration may be required for overall efficient use of spectrum by all users and where the technology and service will remain same for operators having spectrum allocated to them before 2010. Thus, this condition to pay for liberalization even for harmonization purposes may</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>go against the overall policy objectives of efficient use of spectrum. Such condition should not be imposed on the users. This condition in the NIA is also against TRAI’s recommendations on frequency re-arrangement. We request DoT to kindly clarify this issue.</p>	
320.	<p>As per clause 2.1 (b) of the NIA: <i>“II. New entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015-16 & holding spectrum only in 1800 MHz band would bid for a minimum of 5 MHz (paired) of spectrum in the 900 MHz band, except in West Bengal service area.</i></p> <p><i>III. In the West Bengal service area new entrant / licensees whose licenses are expiring in 2015-16/ Existing licensees whose licenses are not expiring in 2015- 16 & holding spectrum only in 1800 MHz band would bid for a minimum of 4.4 MHz (paired) , which is the amount of spectrum available in this service area in the 900 MHz band.”</i></p> <p>In this regard, it is submitted that the case of North East service area is similar to the case of West Bengal Service Area, as indicated below:</p> <ul style="list-style-type: none"> - In West Bengal, only one license (i.e. RTL) is expiring and the spectrum being vacated in 900 MHz band is 4.4 MHz. - In North East, two licenses (i.e. RTL and Bharti Airtel Limited) are expiring and the spectrum being vacated in 900 MHz band is 8.8 MHz (i.e. 4.4 MHz each) <p>While the existing operator RTL has been provided a fair opportunity to take back its spectrum by bidding 4.4 MHz in West Bengal, the same dispensation is not provided in case of North East service area. In case of North East service area, both existing operators are required to bid for a minimum of 5 MHz, thereby creating an auction design which itself leads to a situation where only one operator out of the two expiring can win back its spectrum in North East and the other operator has to shut down its operations - a bizarre situation and one that is surely not</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>intended.</p> <p>DoT is requested to reconsider its decision and mandate lowering the minimum bidding quantum in 900 MHz band by a New entrant / Extension Licensee in North East service area in line with its decision to allow the same for West Bengal service area.</p>	
321.	<p>Overall Spectrum Cap: Please confirm whether BWA spectrum assigned to BSNL and MTNL in 2010 has been taken into account (like in the 2013 NIA response to Question Q. 123) for calculating the Overall spectrum cap.- If yes, DoT is requested to state the reasons for change in Overall Cap of spectrum in the present NIA.</p>	<p>NIA is self-explanatory.</p>
322.	<p>Overall Spectrum Cap: For the purpose of calculating overall spectrum cap, DoT is requested to please confirm if there has been any change in the basis and method for determining spectrum cap in Dec, 2013 NIA and the present NIA. If yes, DoT is requested to please disclose the basis, method and reasons thereof.</p>	<p>NIA is self-explanatory.</p>
323.	<p>Date of Assignment of spectrum: Consequent to the Feb, 14 auctions, the spectrum assignment was delayed by more than 7 months post payment of upfront charges. In reference to the delay in allocation of spectrum, we would also like to draw your attention to TRAI's recent recommendations on "Allocation and Pricing of Microwave Access and Microwave Backbone RF Carriers" whereby the Authority has recognized that the access spectrum as well as Microwave spectrum should be allocated within a month of final payment. "Assignment of both access spectrum and MWA carriers should be done simultaneously within a period of one month from the date the TSP makes the payment for access spectrum, failing which TSP should be paid compensation at the SBI PLR rate of the amount it had already paid to acquire the access spectrum. " In view of the above, DoT is requested to kindly confirm that: a) Spectrum (other than the spectrum being vacated by the licenses expiring in 2015- 16) will be assigned to the operators within a period of one month from the date of full/ upfront payment by the winning bidders. b) In case of delay in assignment of spectrum;</p>	<p>No change in NIA conditions.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>i. DoT will compensate the operators at the SBI PLR rate of the amount paid;</p> <p>ii. The due date for payments of future instalments will be extended by the period of delay.</p>	
324.	<p>Date of Assignment of spectrum: DoT is requested to clearly indicate the timelines by which the spectrum (other than the spectrum being vacated by the licenses expiring in 2015-16) will be assigned to the operators.</p>	NIA is self-explanatory.
325.	<p>Effective Date of Spectrum: DoT has indicated that the effective date for 1800 MHz spectrum will be the date of LOI. It may happen that the spectrum, presently held by the existing licensee whose licenses are up for extension in 2015-16, is assigned to the other bidder. DoT is requested to clarify the effective date of such spectrum.</p>	NIA is self-explanatory.
326.	<p>Effective Date of License: DoT has indicated that the effective date for 1800 MHz and 2100 MHz spectrum will be the date of LOI. It is submitted that the grant of LOI does not confer the winning bidder the right to use the spectrum. The actual assignment of spectrum may take considerable time which is not specified in NIA. For instance, in the Feb, 14 auctions the LOI for 1800 MHz were issued on 8th Sep, 2014 whereas the actual allocation letters were issued between 9th Oct, 2014 to 14th Oct, 2014. The successful bidder could have used the spectrum only after the actual assignment instead of issuance of LOI. DoT is therefore requested to amend the effective date to “date of assignment of spectrum” instead of “date of issue of LOI”.</p>	No change in NIA conditions.
327.	<p>Roll Out Obligations for spectrum in 2100 MHz band The Note in the clause 3.6.1.2 states the following: “Other terms and conditions of 3.6.1.1 (which are not band specific) shall apply for 2100 MHz band” DoT is requested to clearly state which terms and conditions in 3.6.1.1 are applicable to roll out obligation in 2100 MHz band.</p>	NIA is self-explanatory.
328.	<p>Roll out Obligations for spectrum in 2100 MHz band for Metro service areas: The roll out obligations in 2100 MHz band for a New Entrant in respect of Metro Service areas</p>	Entire Metro Service area is

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																																																																														
	has not been specified. DoT is requested to convey the roll out obligations in 2100 MHz band for a New Entrant in respect of Metro service areas.	deemed to be a single district.																																																																																														
329.	Swapping of spectrum upon extension and Continuity of Services 28 licenses are up for extension during 2015-16. As per the information available, the license expiry date of the various licenses is as below:	NIA is self-explanatory.																																																																																														
	<table border="1"> <thead> <tr> <th>S No</th> <th>LSA</th> <th>Operator</th> <th>Date of License Expiry</th> </tr> </thead> <tbody> <tr> <td rowspan="2">1</td> <td rowspan="2">MH</td> <td>Idea</td> <td>11-12-15</td> </tr> <tr> <td>Vodafone</td> <td>18-12-15</td> </tr> <tr> <td rowspan="2">2</td> <td rowspan="2">GUJ</td> <td>Idea</td> <td>11-12-15</td> </tr> <tr> <td>Vodafone</td> <td>18-12-15</td> </tr> <tr> <td rowspan="2">3</td> <td rowspan="2">AP</td> <td>Bharti Airtel</td> <td>11-12-15</td> </tr> <tr> <td>Idea</td> <td>18-12-15</td> </tr> <tr> <td rowspan="2">4</td> <td rowspan="2">KTK</td> <td>Bharti Airtel</td> <td>14-02-16</td> </tr> <tr> <td>Idea</td> <td>08-04-16</td> </tr> <tr> <td rowspan="2">5</td> <td rowspan="2">PB</td> <td>Bharti Airtel</td> <td>11-12-15</td> </tr> <tr> <td>Idea</td> <td>08-04-16</td> </tr> <tr> <td rowspan="2">6</td> <td rowspan="2">RAJ</td> <td>Bharti Airtel</td> <td>21-04-16</td> </tr> <tr> <td>Vodafone</td> <td>11-12-15</td> </tr> <tr> <td rowspan="2">7</td> <td rowspan="2">HR</td> <td>Idea</td> <td>11-12-15</td> </tr> <tr> <td>Vodafone</td> <td>11-12-15</td> </tr> <tr> <td rowspan="2">8</td> <td rowspan="2">KL</td> <td>Idea</td> <td>11-12-15</td> </tr> <tr> <td>Vodafone</td> <td>11-12-15</td> </tr> <tr> <td rowspan="2">9</td> <td rowspan="2">MP</td> <td>Idea</td> <td>11-12-15</td> </tr> <tr> <td>RTL</td> <td>11-12-15</td> </tr> <tr> <td rowspan="2">10</td> <td rowspan="2">HP</td> <td>Bharti Airtel</td> <td>11-12-15</td> </tr> <tr> <td>RTL</td> <td>11-12-15</td> </tr> <tr> <td rowspan="2">11</td> <td rowspan="2">NE</td> <td>Bharti Airtel</td> <td>11-12-15</td> </tr> <tr> <td>RTL</td> <td>11-12-15</td> </tr> <tr> <td>12</td> <td>UP (W)</td> <td>Idea</td> <td>11-12-15</td> </tr> <tr> <td>13</td> <td>UP (E)</td> <td>Vodafone</td> <td>11-12-15</td> </tr> <tr> <td>14</td> <td>WB</td> <td>RTL</td> <td>11-12-15</td> </tr> <tr> <td>15</td> <td>BH</td> <td>RTL</td> <td>11-12-15</td> </tr> <tr> <td>16</td> <td>OR</td> <td>RTL</td> <td>11-12-15</td> </tr> <tr> <td>17</td> <td>AS</td> <td>RTL</td> <td>11-12-15</td> </tr> </tbody> </table>	S No	LSA	Operator	Date of License Expiry	1	MH	Idea	11-12-15	Vodafone	18-12-15	2	GUJ	Idea	11-12-15	Vodafone	18-12-15	3	AP	Bharti Airtel	11-12-15	Idea	18-12-15	4	KTK	Bharti Airtel	14-02-16	Idea	08-04-16	5	PB	Bharti Airtel	11-12-15	Idea	08-04-16	6	RAJ	Bharti Airtel	21-04-16	Vodafone	11-12-15	7	HR	Idea	11-12-15	Vodafone	11-12-15	8	KL	Idea	11-12-15	Vodafone	11-12-15	9	MP	Idea	11-12-15	RTL	11-12-15	10	HP	Bharti Airtel	11-12-15	RTL	11-12-15	11	NE	Bharti Airtel	11-12-15	RTL	11-12-15	12	UP (W)	Idea	11-12-15	13	UP (E)	Vodafone	11-12-15	14	WB	RTL	11-12-15	15	BH	RTL	11-12-15	16	OR	RTL	11-12-15	17	AS	RTL	11-12-15	
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>As can be seen from the table above, the date of extension in respect of 6 service areas where two licenses are up for extension is not same and varies from a week to four months. Post auction, the licensee may be required to either surrender all or part of the spectrum and/or change/swap the frequencies.</p> <p>For instance; In Punjab, Airtel’s License is expiring on 11th Dec, 2015 and Idea’s License is expiring on 8th April, 2014.</p> <p>a) Scenario 1: If Airtel wins the 900 MHz presently allocated to Idea and Idea wins the spectrum presently allocated to Airtel. In such a scenario, Airtel would be required to return the 900 MHz spectrum on 11th Dec, 2015 but will get the 900 MHz band spectrum won in Auction in 8th April, 2016. Thus, such a scenario may lead to Airtel shutting down its operations on 900 MHz band for the period from 11th Dec, 2015 to 8th Apr, 2016, thereby impacting continuity of services and serious deterioration in coverage and quality of service.</p> <p>b) Scenario 2: If Airtel wins the 900 MHz presently allocated to Idea and a new bidder wins the spectrum presently allocated to Airtel. In such a scenario, Airtel would be required to return the 900 MHz spectrum on 11th Dec, 2015 but will get the 900 MHz band spectrum won in Auction from Idea only on 8th April, 2016. Thus, such a scenario may lead to Airtel shutting down its operations on 900 MHz band for the period from 11th Dec, 2015 to 8th Apr, 2016, thereby impacting continuity of services and serious deterioration in coverage and quality of service.</p> <p>A possible solution can be making the license which is expiring earlier co-terminus with the license expiring later in a particular service area.</p> <p>Since, in a running network, these issues will have a serious impact on the continuity and quality of services, DoT is requested to clearly state the migration plan under such circumstances.</p>	
330.	<p>1800 MHz Spectrum put to auction in Gujarat LSA: As per the NIA, 3.4 MHz of spectrum in 1800 MHz band is being put to auction in Gujarat LSA. However, the frequency spots indicated vide Amendment No. 2 – Annexure 2A, indicates the</p>	Kindly refer to of Amendment No. 3 to this NIA.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>number of spots being put to auction as 18 i.e. 3.6 MHz. DoT is requested to clarify the quantum of 1800 MHz spectrum being put to auction in Gujarat LSA.</p>	
331.	<p>Differential treatment in respect of 800 MHz band: a. In respect of 800 MHz band it is indicated in Annexure 2-C that One block of 1.25 MHz signifies actual assignment of 1.23 MHz (paired) spectrum. In this regard, it is submitted that the block size has been mentioned as 1.25 MHz as per the NIA and the consequent reserve price per block has been fixed basis the same Further, while 1.25 MHz (paired) block size has been proposed in 800 MHz band, only 1.23MHz (paired) of allocation per block has been shown in the detailed chart for available spots. This would impact usage of the spectrum for technologies such as LTE as allocation of 4 spots of 1.23MHz (paired) will only provide operators with 4.92 MHz (paired) spectrum. - Since, LTE requires a minimum of 5 MHz (paired) contiguous spectrum whereas as actual assignment of 1.23 (MHz) paired per block will lead to an assignment of 4.92 MHz (paired) only, DoT is requested to clarify why 1.25 MHz (paired) is not being assigned when the block size is 1.25 MHz (paired). - DoT is requested to amend the same and assign blocks of 1.25 MHz (paired) in the 800 MHz band - In case of assignment of only 1.23 MHz (paired), DoT is requested to clarify that a guard band of 300 KHz on both sides will be provisioned in case of contiguous assignment of 4 blocks of spectrum. b. As per the NIA, a new operator / expiring operator is required to bid for only for 0.6 MHz in 1800 MHz band in case contiguous 5MHz of block is not available. In contrast to this, operators are required to bid for atleast four blocks in 800 MHz band even if these 5 MHz contiguous is not available. In order to have parity, DoT is requested to extend similar provision in respect of 800 MHz band where an operator should be allowed to bid for one or more block in 800 MHz band in case less than four continuous spots are available in this band.</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																						
332.	<p>Proportionate Price Increment rule for spectrum in 2100 MHz band In the 3G/ BWA auction held in 2010, 3-4 blocks of 2100 MHz spectrum per LSA were put to auction and the proportionate price increment rule for spectrum in 2100 MHz band was as below:</p> <table border="1" data-bbox="394 467 1436 818"> <thead> <tr> <th>Excess Demand (In Blocks)</th> <th>Price Increment as a Percentage of previous Clock Round Price</th> </tr> </thead> <tbody> <tr> <td>Less than ZERO (Negative)</td> <td>0%</td> </tr> <tr> <td>0</td> <td>1%</td> </tr> <tr> <td>1</td> <td>1%</td> </tr> <tr> <td>2</td> <td>5%</td> </tr> <tr> <td>3 or more</td> <td>10%</td> </tr> </tbody> </table> <p>In the present auction only one block of 2100 MHz spectrum is being put to auction but the proportionate price increment is proposed to be even higher than that mandated in 2010 auction as indicated below:</p> <table border="1" data-bbox="394 943 1436 1247"> <thead> <tr> <th>Excess Demand (In Blocks)</th> <th>Price Increment as a Percentage of previous Clock Round Price</th> </tr> </thead> <tbody> <tr> <td>Less than ZERO (Negative)</td> <td>0%</td> </tr> <tr> <td>From ZERO</td> <td>1%</td> </tr> <tr> <td>1</td> <td>5%</td> </tr> <tr> <td>Greater than or equal to 2</td> <td>10%</td> </tr> </tbody> </table> <p>Lesser number of blocks put to auction coupled with higher price increment in this combined auction will lead to arbitrary increase in price of spectrum during the auction. DoT is requested to kindly amend the proportionate price increment rule for spectrum in 2100</p>	Excess Demand (In Blocks)	Price Increment as a Percentage of previous Clock Round Price	Less than ZERO (Negative)	0%	0	1%	1	1%	2	5%	3 or more	10%	Excess Demand (In Blocks)	Price Increment as a Percentage of previous Clock Round Price	Less than ZERO (Negative)	0%	From ZERO	1%	1	5%	Greater than or equal to 2	10%	<p>No change in NIA conditions.</p>
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response														
	<p>MHz band as below considering that only one block of spectrum is being put to auction in 2100 MHz band:</p> <table border="1" data-bbox="394 397 1444 803"> <thead> <tr> <th data-bbox="394 397 863 505">Excess Demand (In Blocks)</th> <th data-bbox="863 397 1444 505">Price Increment as a Percentage of previous Clock Round Price</th> </tr> </thead> <tbody> <tr> <td data-bbox="394 505 863 553">Less than ZERO (Negative)</td> <td data-bbox="863 505 1444 553">0%</td> </tr> <tr> <td data-bbox="394 553 863 602">0</td> <td data-bbox="863 553 1444 602">1%</td> </tr> <tr> <td data-bbox="394 602 863 651">1</td> <td data-bbox="863 602 1444 651">1%</td> </tr> <tr> <td data-bbox="394 651 863 699">2</td> <td data-bbox="863 651 1444 699">2%</td> </tr> <tr> <td data-bbox="394 699 863 748">3</td> <td data-bbox="863 699 1444 748">5%</td> </tr> <tr> <td data-bbox="394 748 863 797">4 or more</td> <td data-bbox="863 748 1444 797">10%</td> </tr> </tbody> </table>	Excess Demand (In Blocks)	Price Increment as a Percentage of previous Clock Round Price	Less than ZERO (Negative)	0%	0	1%	1	1%	2	2%	3	5%	4 or more	10%	
Excess Demand (In Blocks)	Price Increment as a Percentage of previous Clock Round Price															
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2	2%															
3	5%															
4 or more	10%															
333.	<p>Amendment No. 1: Auction timetable (Gap between Mock Auction and Start of Auction) As per the revised timetable, indicated vide amendment No. 1, there is no gap between the Mock Auction and the Start of the Auction. It is submitted that consequent to the mock auction, the bidder may be required to make some technical changes/corrections which may arise during the mock auction. It is therefore essential to have some time gap between the end of mock auction and the start of the auction. DoT is requested to kindly provide a gap of at least two days between end of mock auction and start of auction.</p>	<p>Please refer to Amendment No. 3 to NIA. Further, handholding sessions for familiarization with Auction engine would be provided to pre-qualified bidders before mock auction, (session time/dates and details would be intimated to pre-qualified</p>														

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
		bidders by Auction Administrator).
334.	<p>Payment Terms: As per the NIA issued in Dec 2013, the payments could have been made by the successful bidder either through the Demand Draft 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. However, as per the present NIA, all payments will need to be made by the successful Bidders through Real Time Gross Settlement (RTGS) into the designated account that shall be specified by DoT DoT is requested to allow multiple means such as Demand Draft or RTGS for payment to provide due flexibility to the successful bidders.</p>	No change in NIA conditions.
335.	<p>As per Amendment No. 2 to the NIA, Clause 1.3 is modified as below: “ Page 7, Para 5 – Clock Stage For 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 200 kHz Paired in 1800 MHz & 900 MHz bands and 1.25 MHz Paired in 800 MHz Band (i.e. the right to use spectrum blocks not linked to any frequency) as per their respective permissible limit depending upon their categorization as a “New Entrant” or as an “Existing Licensee”. The status as a “New Entrant” or as an “Existing Licensee” would be separate in 900/1800* MHz band and 800 MHz band and this status may be different for different Service Areas depending on the holding of spectrum in such band and in such Service Area. * For this purpose, 900 MHz and 1800 MHz bands would be treated as one. This Para is modified and may be read as: 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 200 kHz Paired in 1800 MHz & 900 MHz bands and 1.25 MHz Paired in 800 MHz Band (i.e. the</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>right to use spectrum blocks not linked to any frequency) as per their respective permissible limit depending upon their categorization as a “New Entrant” or as an “Existing Licensee. In 2100 MHz band, the block size is 5MHz, which is the minimum a bidder can bid in this band. The status as a “New Entrant” or as an “Existing Licensee” would be separate in 2100MHz, 1800MHz, 900MHz and 800MHz bands and this status may be different for different Service Areas depending on the holding of spectrum in such band and in such Service Area.”</p> <p>In this regard, it is submitted that while adding the clause in respect of 2100 MHz band, the following clause “* For this purpose, 900 MHz and 1800 MHz bands would be treated as one.” has been deleted.</p> <p>This is inconsistent with the provisions contained in Clause 3.2- Associated Eligibility Conditions.</p> <p>DoT is requested to amend clause 1.3 and insert the Note “* For this purpose, 900 MHz and 1800 MHz bands would be treated as one.” therein.</p>	
336.	<p>As per tie breaking rule number 4 (Page number 71, section 5.4.6) “Where there is a tie according to the first four criteria, ranking will be descending order according to the total value of all blocks for which bid has been submitted by the bidder for all the service areas across all the bands at the current clock round price” which may lead to a situation where an operator, despite having committed maximum value (Sum of PWBs & New Bids), might lose out to other operator. For Example:</p>	No change in NIA conditions.

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

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	<table border="1"> <thead> <tr> <th rowspan="2">Circle</th> <th rowspan="2">Operator</th> <th colspan="3">Round 1</th> <th colspan="3">Round 2</th> </tr> <tr> <th>CRP</th> <th>Bid Blocks</th> <th>PWB</th> <th>CRP</th> <th>Bid Blocks</th> <th>PWB</th> </tr> </thead> <tbody> <tr> <td rowspan="2">A</td> <td>X</td> <td>100</td> <td>5</td> <td>5</td> <td>110</td> <td>6</td> <td></td> </tr> <tr> <td>Y</td> <td>100</td> <td>0</td> <td></td> <td>110</td> <td>6</td> <td>6</td> </tr> <tr> <td rowspan="2">B</td> <td>X</td> <td>120</td> <td>5</td> <td>5</td> <td>130</td> <td>0</td> <td></td> </tr> <tr> <td>Y</td> <td>120</td> <td>0</td> <td></td> <td>130</td> <td>6</td> <td>6</td> </tr> <tr> <td rowspan="2">C</td> <td>X</td> <td>150</td> <td>5</td> <td>5</td> <td>150</td> <td></td> <td></td> </tr> <tr> <td>Y</td> <td>150</td> <td>0</td> <td></td> <td>150</td> <td></td> <td></td> </tr> <tr> <td colspan="2">Bid Value at Current CRP as per Current Rule for Tie Breaking</td> <td>X</td> <td colspan="2">1,850</td> <td colspan="3">1,410</td> </tr> <tr> <td colspan="2"></td> <td>Y</td> <td colspan="2">0</td> <td colspan="3">1,440</td> </tr> <tr> <td colspan="2">Total Commitment by Operator</td> <td>X</td> <td colspan="2">1,850</td> <td colspan="3">2,010</td> </tr> <tr> <td colspan="2"></td> <td>Y</td> <td colspan="2">0</td> <td colspan="3">1,440</td> </tr> </tbody> </table> <p>As per above example, operator X loses to operator Y in circle A, despite of having higher commitment value. DOT is therefore requested to amend the tie breaking rule to calculate ranking basis commitment value by the operator and not basis bid value at current clock round price.</p>	Circle	Operator	Round 1			Round 2			CRP	Bid Blocks	PWB	CRP	Bid Blocks	PWB	A	X	100	5	5	110	6		Y	100	0		110	6	6	B	X	120	5	5	130	0		Y	120	0		130	6	6	C	X	150	5	5	150			Y	150	0		150			Bid Value at Current CRP as per Current Rule for Tie Breaking		X	1,850		1,410					Y	0		1,440			Total Commitment by Operator		X	1,850		2,010					Y	0		1,440			
Circle	Operator			Round 1			Round 2																																																																																						
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A	X	100	5	5	110	6																																																																																							
	Y	100	0		110	6	6																																																																																						
B	X	120	5	5	130	0																																																																																							
	Y	120	0		130	6	6																																																																																						
C	X	150	5	5	150																																																																																								
	Y	150	0		150																																																																																								
Bid Value at Current CRP as per Current Rule for Tie Breaking		X	1,850		1,410																																																																																								
		Y	0		1,440																																																																																								
Total Commitment by Operator		X	1,850		2,010																																																																																								
		Y	0		1,440																																																																																								
337.	<p>In the auctions held in February 2014, an operator who wanted to bid for 900 MHz spectrum had to bid for a minimum of 5 MHz (please refer to clause 2.1.a).III of NIA issued for February 2014 auction). However, the present NIA at clause 2.1.b).IV specifies as under: IV. The existing licensees whose licenses are not expiring in 2015-16 and holding spectrum in 900 MHz band in a service area may be allowed to bid for a minimum of 0.6 MHz (paired).</p> <p>The above would imply that the existing holders of 900 MHz spectrum whose licenses are not expiring are allowed to bid for less than 5 MHz. This is at variance with the earlier auction held in February 2014.</p>	No change in NIA conditions.																																																																																											

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>It is submitted that this condition should be maintained similar to conditions of earlier auction of Feb'14 i.e. any bidder should be allowed to bid for a minimum of 5 MHz, as otherwise it can give rise to a disruptive and predatory bidding behaviour where in the auction in circles like Assam, Bihar, Odisha, UPW, UPE and WB where one license is expiring and the other is coming up for renewal later, the price can be driven up by bidding for small quantities.</p> <p>For example, in case of UP-East or even UP-West service area, the spectrum put for auction in 900 MHz is 6.2 MHz. For both these service areas, only single operator's license is expiring in 2015-16 and hence they would be required to bid for minimum of 5 MHz in 900 band. However an existing 900 MHz band operator, whose license is not expiring in 2015-16 would be able to bid for less than 5 MHz. Suppose such an operator, whose license is not expiring chooses to bid for 1.4 MHz, then consequences of such bidding would be:</p> <ol style="list-style-type: none"> a. The operator whose license is not expiring can continue to bid repeatedly for 1.4 MHz and thus ensuring that the expiring operator continues to bid unabated to protect his investments. b. The financial commitment from existing operator would only be one fourth compared to an expiring operator. c. The above would lead to disruptive and predatory bidding and may even result in shut down of the expiring operator. Typically, for UP-East this would impact 16.9 million subscribers and for UP-West, this would impact 12.5 million subscribers. Naturally this is neither the aim of the NIA nor the intention of the DoT. d. In addition in such a case, the DoT would also end up with 4.8 MHz unsold spectrum, which is against the very spirit and aim of the auction. <p>The consequences of allowing such an auction design, permitting any operator to bid less than 5 MHz in the 900 MHz band have wide scale implications on financials, predatory competition, market structure, consumer tariffs, investments and continuity of services. This could lead to wide scale disruption of services in at least 5 service areas, besides loss of existing billions of dollars of investments on ground, potential loss of revenue to the Government of India by</p>	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response						
	<p>incremental small investment by an existing 900 MHz operator. The TRAI was itself concerned with possibility of such a situation in 900 MHz band and had accordingly provided detailed recommendations of making additional 900 & 1800 Mhz spectrum available for this auction through various means.</p> <p>Further such a unique situation of a single 900 MHz band operator license being forced to bid when another existing 900 Mhz band licensee is not expiring would recur again in next few years and possibility of similar repeat of disruption should force the DoT to consider their proposed auction design of permitting a non-expiring 900 MHz band licensee to bid for less than 5 MHz spectrum quantity.</p> <p>Request DoT to please take note of the above and confirm that bidding conditions and treatment of expiring licenses in 2015-16 would be no different from the Metro licenses which expired in 2014. Alternatively, cases where in a circle only one license is coming up for extension, it should be extended to be co-terminus with the second license in the circle, as has been done in the case of Tamil Nadu / Chennai. Please confirm.</p>							
338.	<p>Please confirm as to how the expiring 900 MHz band licenses (with bundled spectrum) would be renewed in future? There are cases, post this current 2015 auction (for renewal/ extension of 900 MHz band spectrum), wherein there would still be other 900 MHz band spectrum licenses due for renewal/ extension as highlighted in the table below. Please confirm the whether DoT would continue to follow the existing policy for the 2 licenses due for expiry in FY 18, single license due for expiry in FY 19 here and 7 licenses expiring in FY 2024.</p> <table border="1" data-bbox="646 1263 1291 1326"> <thead> <tr> <th data-bbox="646 1263 772 1326">Year</th> <th data-bbox="772 1263 1045 1326">Private Operators</th> <th data-bbox="1045 1263 1291 1326">BSNL/MTNL</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Year	Private Operators	BSNL/MTNL				NIA is self-explanatory.
Year	Private Operators	BSNL/MTNL						

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query					Response
			No. of licenses	No of Circles	No. of licenses	No of Circles
		FY 18	-	-	2	2
		FY 19	1	1	-	-
		FY 20	-		20	20
		FY22	2	1	-	-
		FY 24	7	7	-	-
	Please confirm 900 Mhz band would be renewed	FY 25	4	3	-	-
		Total	14		22	
						how the future expiring licenses , post this auction.
	Please also					confirm that spectrum allocated to BSNL / MTNL would also be auctioned on expiry of their licenses, and if yes, will all operators be allowed to participate in that auction, as is presently being done?
339.	Expiry of some of the 900 Mhz band licenses for Punjab and Karnataka is in April 2016, which is more than 14 months away. What is the rationale for putting this spectrum for auction in the current NIA? If these 900 MHz licenses are auctioned now, the bidder would be required to make payments right now, even though the actual spectrum would be allocated more than a year later. Licensee should be allowed to make the payment at a later date compared to the payment date for the license expiring in Dec'15. This is also important to ensure level playing field. Please confirm?					No change in NIA conditions

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																																
340.	<p>Annexure 2B – In case of many Circles the dates of expiry of licenses of the two expiring Licensees are different. Some of these Circles are as follows:</p> <table border="1"> <thead> <tr> <th>Circles</th> <th>900</th> <th>1800</th> <th>Idea - Date of Expiry</th> <th>Other Operator</th> <th>900</th> <th>1800</th> <th>Date of Expiry</th> </tr> </thead> <tbody> <tr> <td>AP</td> <td>6.2</td> <td>1.8</td> <td>19-Dec-15</td> <td>Airtel</td> <td>7.8</td> <td>2.2</td> <td>12-Dec-15</td> </tr> <tr> <td>Punjab</td> <td>7.8</td> <td></td> <td>9-Apr-16</td> <td>Airtel</td> <td>7.8</td> <td></td> <td>12-Dec-15</td> </tr> <tr> <td>Gujarat</td> <td>6.2</td> <td></td> <td>12-Dec-15</td> <td>Vodafone</td> <td>7.8</td> <td>2</td> <td>19-Dec-15</td> </tr> <tr> <td>Maharashtra</td> <td>7.8</td> <td>2</td> <td>12-Dec-15</td> <td>Vodafone</td> <td>6.2</td> <td></td> <td>19-Dec-15</td> </tr> <tr> <td>Karnataka</td> <td>6.2</td> <td></td> <td>9-Apr-16</td> <td>Vodafone</td> <td>7.8</td> <td>2.2</td> <td>15-Feb-16</td> </tr> </tbody> </table> <p>There could be cases where the spectrum won by an Operator in the auction (more likely situation) is different from the spectrum currently in use. If the spectrum won by a expiring licensee, say A, is that currently allocated to the other Operator, B, and the license of the Operator B expires after the expiry of the license of Operator A, then how would the DoT ensure continuity of Service for Operator A. Would the license of Operator A be extended upto the expiry of Operator B license. Also what would be the terms for such extension? Also request DoT to clarify the resolution proposed for such cases. Further DoT has proposed payments within 10 days of conclusion of auction. However in view of the above, please confirm the Dot would suitably extend the date for making payments in above situations.</p>	Circles	900	1800	Idea - Date of Expiry	Other Operator	900	1800	Date of Expiry	AP	6.2	1.8	19-Dec-15	Airtel	7.8	2.2	12-Dec-15	Punjab	7.8		9-Apr-16	Airtel	7.8		12-Dec-15	Gujarat	6.2		12-Dec-15	Vodafone	7.8	2	19-Dec-15	Maharashtra	7.8	2	12-Dec-15	Vodafone	6.2		19-Dec-15	Karnataka	6.2		9-Apr-16	Vodafone	7.8	2.2	15-Feb-16	NIA is self-explanatory.
Circles	900	1800	Idea - Date of Expiry	Other Operator	900	1800	Date of Expiry																																											
AP	6.2	1.8	19-Dec-15	Airtel	7.8	2.2	12-Dec-15																																											
Punjab	7.8		9-Apr-16	Airtel	7.8		12-Dec-15																																											
Gujarat	6.2		12-Dec-15	Vodafone	7.8	2	19-Dec-15																																											
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
341.	<p>In the previous auction the rate of spectrum usage charge (SUC) was announced prior to the commencement of auction vide PIB press release (conveying the decision of Cabinet on Spectrum usage charges) dated 31.01.2014 on Finalisation of Spectrum Usage Charges for spectrum in 1800 MHz and 900 MHz bands, whereby the rate applicable for the spectrum to be auctioned was specified as 5%. The NIA dated Jan 9, 2015, provided some references whereby the SUC rate was indicated to be 5% and we had requested DoT for confirmation of the same in the queries submitted on Jan 19, 2015.</p> <p>However, in the Amendment no. 2 to NIA dated Jan 29, 2015, the following is stated.</p> <p>“Clause 3.7: Spectrum Usage Charges Page 31, this Clause is revised and may be read as:- 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.”</p> <p>This is contrary to the earlier auctions held for 900 MHz extension in Feb’14, where the SUC was specified as 5%. This creates an issue about lack of transparency and incomplete pricing information based on which bidders will participate in the auction. Further, this will also result in a situation where the extension of spectrum in different service areas is being done on different terms and create a non-level playing field between service providers, providing the same service. Hence we request that the SUC may be specifically specified for this auction as was done for the last Feb’14 auction in line with government’s stated policy of having transparency and consistency.</p>	<p>Orders w.r.t. applicable SUC may please be seen on DoT website from time to time.</p>
342.	<p>In the earlier auction of 2100 MHz held in 2010, the price increment rule and the comparison with the proposed terms in NIA dated 09.01.2015 are as under –</p>	<p>No change in NIA conditions.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																	
	<table border="1"> <thead> <tr> <th rowspan="2">Excess Demand</th> <th colspan="2">Price increment as a percentage of previous Clock Round Price</th> </tr> <tr> <th>NIA 2010</th> <th>NIA 2015</th> </tr> </thead> <tbody> <tr> <td>Negative</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>Zero</td> <td>1%</td> <td>1%</td> </tr> <tr> <td>1</td> <td>1%</td> <td>5%</td> </tr> <tr> <td>2</td> <td>5%</td> <td>10%</td> </tr> </tbody> </table> <p>Given the fact that the reserve price in the auction is already much higher than the 2010 auctions and the block size remains the same, there is no reason to have the price increment higher than the last auction. The change from 1% to 5% for 1 block of excess demand is very steep, unreasonable and there is no rationale for that. Hence, we request that the price increment rule for this auction for 2100 MHz should be same as the rule in 2010 auction. Please confirm.</p>	Excess Demand	Price increment as a percentage of previous Clock Round Price		NIA 2010	NIA 2015	Negative	0%	0%	Zero	1%	1%	1	1%	5%	2	5%	10%	
Excess Demand	Price increment as a percentage of previous Clock Round Price																		
	NIA 2010	NIA 2015																	
Negative	0%	0%																	
Zero	1%	1%																	
1	1%	5%																	
2	5%	10%																	
343.	<p>While the reserve price for 2100MHz spectrum provided in the NIA is higher than the Reserve Price recommended by the TRAI across all the service areas, except for Assam & NESAs, there seems to be an arbitrary and significant price increase (even beyond the average value recommended by TRAI for Metro and Category 'A' service areas. The following tables reflects the same –</p> <table border="1"> <thead> <tr> <th>Name of LSA</th> <th>Category</th> <th>Average valuation/MHz by TRAI (Rscrs)</th> <th>Reserve Price/MHz by DoT RsCrs)</th> <th>RP to Avg. Valuation</th> </tr> </thead> <tbody> <tr> <td>Delhi</td> <td>Metro</td> <td>557.35</td> <td>663</td> <td>1.19</td> </tr> <tr> <td>Mumbai</td> <td>Metro</td> <td>424.63</td> <td>649</td> <td>1.53</td> </tr> </tbody> </table>	Name of LSA	Category	Average valuation/MHz by TRAI (Rscrs)	Reserve Price/MHz by DoT RsCrs)	RP to Avg. Valuation	Delhi	Metro	557.35	663	1.19	Mumbai	Metro	424.63	649	1.53	No change in NIA conditions.		
Name of LSA	Category	Average valuation/MHz by TRAI (Rscrs)	Reserve Price/MHz by DoT RsCrs)	RP to Avg. Valuation															
Delhi	Metro	557.35	663	1.19															
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																														
	<table border="1"> <tr> <td>Kolkata</td> <td>Metro</td> <td>96.62</td> <td>109</td> <td>1.13</td> </tr> <tr> <td>Andhra Pradesh</td> <td>A</td> <td>228.72</td> <td>275</td> <td>1.20</td> </tr> <tr> <td>Gujarat</td> <td>A</td> <td>243.7</td> <td>258</td> <td>1.06</td> </tr> <tr> <td>Karnataka</td> <td>A</td> <td>300.97</td> <td>322</td> <td>1.07</td> </tr> <tr> <td>Maharashtra</td> <td>A</td> <td>284.23</td> <td>301</td> <td>1.06</td> </tr> <tr> <td>Tamil Nadu</td> <td>A</td> <td>324.47</td> <td>344</td> <td>1.06</td> </tr> </table>	Kolkata	Metro	96.62	109	1.13	Andhra Pradesh	A	228.72	275	1.20	Gujarat	A	243.7	258	1.06	Karnataka	A	300.97	322	1.07	Maharashtra	A	284.23	301	1.06	Tamil Nadu	A	324.47	344	1.06	
Kolkata	Metro	96.62	109	1.13																												
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Maharashtra	A	284.23	301	1.06																												
Tamil Nadu	A	324.47	344	1.06																												
	<p>There is no rationale of keeping the reserve price higher than the value recommended by TRAI. You may also note that the NIA of 2010 auction specifically stated that the Reserve price would remain same only for one year, post conclusion of the auction.</p> <p>Please confirm the reasons for such arbitrary price increase in above service areas? Please also confirm whether DoT plans to reconsider the price increase in these service areas?</p>																															
344.	<p>Clause 5.7 – Table 5-H – (EMD and Eligibility Points) – We have the following observations :</p> <ol style="list-style-type: none"> In 900 MHz the EMD of West Bengal and Bihar should be same. In light of this EMD of West Bengal should be Rs.6.20 crs per block (instead of Rs.2.90 crs, which is applicable for Assam) and the Eligibility Points should be 37 (instead of 16). In 800 MHz, the EMD of UPW, MP, Punjab, Bihar and West Bengal should be equal to that of UPE being Rs.21.40 crs per block (instead of Rs.13.60 crs per block) and similarly the Eligibility Points should also be 147 points per block (instead of 88 points per block). <p>Please confirm the above.</p>	Please refer to Amendment No. 2																														

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																																											
345.	<p>The Annexure 2A of the NIA provides details of 1800 Mhz, mentions the month of availability of spectrum in some service areas while for other service areas like Haryana, HP, Kerala, Kolkata, Odisha, Punjab, TN the month and year of spectrum availability is not mentioned. Further, in some 1800 MHz cases the availability date is given only for part of the spectrum blocks e.g. Bihar, Karnataka, NE, Rajasthan, UP E and UP W. Overall, the information seems to be incomplete and prepared hastily.</p> <table border="1"> <thead> <tr> <th rowspan="2">CIRCLE</th> <th colspan="5">Date of Availability as per Annexure 2A , Amendment 2</th> </tr> <tr> <th>Block A</th> <th>Block B</th> <th>Block C</th> <th>Block D</th> <th>Block E</th> </tr> </thead> <tbody> <tr> <td>Bihar</td> <td>Not mentioned</td> <td>Dec-15</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Haryana</td> <td colspan="4">Not mentioned</td> <td>-</td> </tr> <tr> <td>HP</td> <td colspan="5">Not mentioned</td> </tr> <tr> <td>Karnataka</td> <td>Feb-16</td> <td>Not mentioned</td> <td>Feb-16</td> <td>Not mentioned</td> <td>-</td> </tr> <tr> <td>Kerala</td> <td>Not mentioned</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Kolkata</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>NE</td> <td>Not mentioned</td> <td>Dec-15</td> <td>Dec-15</td> <td>Not mentioned</td> <td>Not ment</td> </tr> <tr> <td>Odisha</td> <td colspan="4">Not mentioned</td> <td>-</td> </tr> </tbody> </table>	CIRCLE	Date of Availability as per Annexure 2A , Amendment 2					Block A	Block B	Block C	Block D	Block E	Bihar	Not mentioned	Dec-15	-	-	-	Haryana	Not mentioned				-	HP	Not mentioned					Karnataka	Feb-16	Not mentioned	Feb-16	Not mentioned	-	Kerala	Not mentioned	-	-	-	-	Kolkata	Not mentioned	Not mentioned	-	-	-	NE	Not mentioned	Dec-15	Dec-15	Not mentioned	Not ment	Odisha	Not mentioned				-	<p>Spectrum blocks where no date has been mentioned signify that spectrum in these blocks are available and can be allotted immediately.</p>
CIRCLE	Date of Availability as per Annexure 2A , Amendment 2																																																												
	Block A	Block B	Block C	Block D	Block E																																																								
Bihar	Not mentioned	Dec-15	-	-	-																																																								
Haryana	Not mentioned				-																																																								
HP	Not mentioned																																																												
Karnataka	Feb-16	Not mentioned	Feb-16	Not mentioned	-																																																								
Kerala	Not mentioned	-	-	-	-																																																								
Kolkata	Not mentioned	Not mentioned	-	-	-																																																								
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Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query						Response
	Punjab	Not mentioned	-	-	-	-	
	Rajasthan	Not mentioned	Not mentioned	Apr-16	-	-	
	TNC	Not mentioned					
	UPE	Not mentioned	Dec-15	-	-	-	
	UPW	Dec-15	Not mentioned	-	-	-	
	<p>The above may be properly checked and full details provided by DoT.</p> <p>Also, wherever the availability dates are not mentioned, we request DoT to confirm that the 1800 MHz spectrum is currently available with the DoT and will be allocated without delay within one month of completion of auction.</p> <p>In view of recent announcement on creation of Defence Band and Defence Interest zone, please confirm the status for harmonization of spectrum and allotment of spectrum in locations with partial allocations at present?</p> <p>Further please confirm that in view of the harmonization, complete and full spectrum across entire service area would be available in service areas such as Rajasthan and UP-East. DoT confirmation is necessary in view of large investments required for upcoming auction.</p> <p>Please also confirm the time frame for proposed harmonization of spectrum and as to how DoT proposes to proceed on the same.</p>						
346.	Quantum of 1800MHz spectrum put to auction should be equal to 'Expiring Spectrum + Unsold Spectrum of Feb'14 auction'. However, the quantity put to auction is lower in the following circles.						Spectrum released due to expiry of licenses, falling in

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																										
	<table border="1"> <thead> <tr> <th>Circle</th> <th>Renewa l 1800</th> <th>1800 MHz Unsold</th> <th>Tota l</th> <th>Put to Auctio n</th> <th>Differenc e</th> </tr> </thead> <tbody> <tr> <td>Andhra Pradesh</td> <td>4</td> <td>0</td> <td>4</td> <td>3.8</td> <td>-0.2</td> </tr> <tr> <td>Karnataka</td> <td>2.2</td> <td>0.8</td> <td>3</td> <td>1.8</td> <td>-1.2</td> </tr> <tr> <td>Kerala</td> <td>1.8</td> <td>1</td> <td>2.8</td> <td>1</td> <td>-1.8</td> </tr> <tr> <td>Madhya Pradesh</td> <td>1.8</td> <td>0</td> <td>1.8</td> <td>0</td> <td>-1.8</td> </tr> <tr> <td>Maharashtra</td> <td>2</td> <td>0</td> <td>2</td> <td>0</td> <td>-2</td> </tr> <tr> <td>West Bengal</td> <td>1.8</td> <td>0</td> <td>1.8</td> <td>0</td> <td>-1.8</td> </tr> </tbody> </table> <p>We request DoT to explain the reason for above difference.</p>	Circle	Renewa l 1800	1800 MHz Unsold	Tota l	Put to Auctio n	Differenc e	Andhra Pradesh	4	0	4	3.8	-0.2	Karnataka	2.2	0.8	3	1.8	-1.2	Kerala	1.8	1	2.8	1	-1.8	Madhya Pradesh	1.8	0	1.8	0	-1.8	Maharashtra	2	0	2	0	-2	West Bengal	1.8	0	1.8	0	-1.8	<p>the frequency band 1765-1785/ 1860-1880 MHz is not put for auction.</p> <p>In Maharashtra and West Bengal service areas, no spectrum in 1800 MHz band has been put for auction.</p>
Circle	Renewa l 1800	1800 MHz Unsold	Tota l	Put to Auctio n	Differenc e																																							
Andhra Pradesh	4	0	4	3.8	-0.2																																							
Karnataka	2.2	0.8	3	1.8	-1.2																																							
Kerala	1.8	1	2.8	1	-1.8																																							
Madhya Pradesh	1.8	0	1.8	0	-1.8																																							
Maharashtra	2	0	2	0	-2																																							
West Bengal	1.8	0	1.8	0	-1.8																																							
347.	<p>The Spectrum put to Auction for 900MHz and 1800 MHz for the proposed spectrum auction is either allocated to existing licensees or unsold from the last spectrum auction. Hence, the Spectrum Caps as specified in Feb'14 NIA should have been increased by the additional spectrum being put to auction in 800MHz and 2100MHz. However the spectrum caps specified in the Amendment 2 to NIA are different for few circles, as highlighted in the table below. We request DoT to clarify the reason for the differences and make corrections, in case of any errors.</p> <table border="1"> <thead> <tr> <th>Circles</th> <th>NIA Feb'1 4</th> <th>Increase for 2100MHz</th> <th>Increas e for 800MH z</th> <th>Derived Spectru m Caps</th> <th>Amendme nt 2 -NIA Feb'15</th> <th>Differenc e</th> </tr> </thead> <tbody> <tr> <td>Andhra Pradesh</td> <td>67.5</td> <td>2.5</td> <td>3.1</td> <td>73.1</td> <td>67.4</td> <td>-5.7</td> </tr> </tbody> </table>	Circles	NIA Feb'1 4	Increase for 2100MHz	Increas e for 800MH z	Derived Spectru m Caps	Amendme nt 2 -NIA Feb'15	Differenc e	Andhra Pradesh	67.5	2.5	3.1	73.1	67.4	-5.7	<p>No change in NIA conditions.</p>																												
Circles	NIA Feb'1 4	Increase for 2100MHz	Increas e for 800MH z	Derived Spectru m Caps	Amendme nt 2 -NIA Feb'15	Differenc e																																						
Andhra Pradesh	67.5	2.5	3.1	73.1	67.4	-5.7																																						

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query							Response
	Bihar	63.9	0.0	2.5	66.4	63.0	-3.4	
	Delhi	64.5	2.5	1.9	68.9	61.7	-7.1	
	Gujarat	63.7	2.5	1.3	67.4	63.1	-4.3	
	Haryana	62.2	2.5	3.8	68.5	67.9	-0.6	
	Himachal Pradesh	62.1	0.0	4.4	66.5	64.0	-2.5	
	Jammu and Kashmir	50.6	0.0	4.4	54.9	54.0	-0.9	
	Karnataka	67.9	2.5	0.6	71.0	65.4	-5.6	
	Kerala	68.9	2.5	0.0	71.4	69.9	-1.5	
	Kolkata	67.3	2.5	0.6	70.4	63.9	-6.5	
	Madhya Pradesh	65.2	2.5	3.1	70.8	69.9	-0.9	
	Maharashtra	63.8	2.5	1.9	68.2	62.2	-6.0	
	Mumbai	68.8	2.5	3.8	75.1	67.9	-7.1	
	North East	60.3	2.5	5.6	68.4	67.5	-0.9	
	Orissa	65.8	2.5	3.8	72.1	68.7	-3.4	
	Punjab	65.8	0.0	1.9	67.6	67.0	-0.6	
	Rajasthan	65.4	2.5	0.0	67.9	67.0	-0.9	
	Tamil Nadu	72.6	2.5	0.6	75.7	70.7	-5.0	
	West Bengal	62.3	0.0	0.6	63.0	61.2	-1.8	
348.	The Spectrum Cap for 1800 MHz is lower compared to Cap specified in NIA for Feb'14 auction for few circles. We request DoT to clarify the reason for the differences and make corrections, in case of any errors.							No change in NIA conditions.
	Circles	Amendme nt 2 -NIA Feb'15	NIA Feb'14	Differenc e				
	Andhra Pradesh	54.6	54.8	-0.2				

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response																																
	<table border="1"> <tr> <td>Bihar</td> <td>42.35</td> <td>44.15</td> <td>-1.8</td> </tr> <tr> <td>Gujarat</td> <td>46.00</td> <td>44.6</td> <td>1.4</td> </tr> <tr> <td>Karnataka</td> <td>50.6</td> <td>51.8</td> <td>-1.2</td> </tr> <tr> <td>Kerala</td> <td>52.45</td> <td>54.25</td> <td>-1.8</td> </tr> <tr> <td>Kolkata</td> <td>48.8</td> <td>50.6</td> <td>-1.8</td> </tr> <tr> <td>North East</td> <td>44.3</td> <td>46.1</td> <td>-1.8</td> </tr> <tr> <td>Orissa</td> <td>52.50</td> <td>54.3</td> <td>-1.8</td> </tr> <tr> <td>Rajasthan</td> <td>46.60</td> <td>48.4</td> <td>-1.8</td> </tr> </table>	Bihar	42.35	44.15	-1.8	Gujarat	46.00	44.6	1.4	Karnataka	50.6	51.8	-1.2	Kerala	52.45	54.25	-1.8	Kolkata	48.8	50.6	-1.8	North East	44.3	46.1	-1.8	Orissa	52.50	54.3	-1.8	Rajasthan	46.60	48.4	-1.8	
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Rajasthan	46.60	48.4	-1.8																															
349.	<p>There is no time gap between the end of Mock Auction and the start of Actual Auction. DoT should ensure that Mock auction should end at least 3 working days prior to start of Actual Auction. For Feb'14 Auction – Mock Auction was conducted on Jan 30-31 and actual auction started on Feb 3. Please confirm.</p>	<p>Please refer Amendment No. 3 to NIA. Further, handholding sessions for familiarization with Auction engine would be provided to pre-qualified bidders before mock auction, (session time/dates and details would be intimated to pre-qualified bidders by Auction Administrator).</p>																																
350.	<p>Reference: Clause 1.3 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</p>	<p>NIA and its Amendments are self-explanatory.</p>																																

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>200 kHz Paired in 1800 MHz & 900 MHz bands and 1.25 MHz Paired in 800 MHz Band (i.e. the right to use spectrum blocks not linked to any frequency) as per their respective permissible limit depending upon their categorization as a “New Entrant” or as an “Existing Licensee. In 2100 MHz band, the block size is 5MHz, which is the minimum a bidder can bid in this band. The status as a “New Entrant” or as an “Existing Licensee” would be separate in 2100MHz, 1800MHz, 900MHz and 800 MHz bands and this status may be different for different Service Areas depending on the holding of spectrum in such band and in such Service Area.</p> <p>Q The below sentence has been removed from the paragraph of clause 1.3 “* For this purpose, 900 MHz and 1800 MHz bands would be treated as one.”” Please confirm whether an existing licensee with spectrum in any of 800/900/1800/2100 MHz bands would be treated as “Existing Licensee” with the removal of this sentence?</p>	
351.	<p>Reference:3.6.1.2 Rollout Obligations for Spectrum in 2100MHz band</p> <p>(i) Telecom Service Providers (TSPs), who are holding spectrum in 2100 MHz band and acquire spectrum in the same band in the auction will have the following rollout obligations over and above the existing roll out obligations.</p> <p>a) 10% of District Headquarters (DHQs) in the LSA within one year of date of allotment of spectrum and</p> <p>b) 10% DHQs in the LSA within two years of date of allotment of spectrum.</p> <p>(ii) New Entrants acquiring spectrum 2100 MHz band will have the following rollout obligations:</p> <p>a) 50% of DHQs in the LSA out of which 15% of DHQs should be in rural SDCA within three years from the effective date of license or date of allotment of spectrum whichever is later.</p> <p>b) 10% of DHQs in the LSA within 4 years from the effective date of license or date of allotment of spectrum whichever is later.</p> <p>c) 10% of DHQs in the LSA within 5 years from the effective date of license or date of allotment of spectrum whichever is later.</p> <p>Note : Other terms and conditions of 3.6.1.1 (which are not band specific) shall apply for 2100MHz band.</p>	NIA is self-explanatory (for Q 1-4 & 6)

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>Q</p> <ol style="list-style-type: none"> 1. Whether a licensee with existing 2100 MHz band spectrum would have to meet an additional 10% DHQ rollout obligation within 4 year of date of allotment of spectrum {3.6.1.2 (i)(a)} and another additional 10% DHQ within 5 years of date of allotment of spectrum {3.6.1.2 (i)(b)}, with same duration post allotment of spectrum as being applicable for new operators? Pls confirm. 2. Whether an existing or new licensee with new 2100 MHz band spectrum would have to meet 50% DHQ in the LSA out of which 15% of DHQs should be within rural SDCA within three years of date of allotment of spectrum {3.6.1.2.ii.a}, an additional 10% DHQ within 4 year of date of allotment of spectrum {3.6.1.2.ii.a} and another additional 10% DHQ within 5 years of date of allotment of spectrum {3.6.1.2.ii.a}? Pls confirm. 3. In relation to the Note at the end of clause 3.6.1.2, it is not clear as which terms and conditions given in 3.6.1.1 are band specific and which are not. There is no mention of spectrum bands in the various sub-clauses. We request specific mention from DOT as which terms and conditions of 3.6.1.1 are applicable for the clause 3.6.1.2. 4. In relation to the Note at the end of clause 3.6.1.2, Please confirm that an operator acquiring 2100MHz spectrum would not be required to meet additional 3 phase obligations comprising of 10% BHQ, 20% BHQ and 30% BHQs (these are captured in the clauses 3.6.1.1 (iii), (iv)(a) and “(x) Paragraph 2”)? 5. Please confirm the Performance Bank Guarantee applicable for “Existing Licensee with 2100 MHz spectrum” would be INR 14 Cr and for the “Existing licensee without 2100MHz spectrum” and “New licensee” it would be INR 21 Cr? 6. Please note, the clause 3.6.1.1 (xii)(a) only has tables for scenarios with 3 phases of additional Rollout obligation (MRO) for existing licensee and 5 phases of MRO for new licensee while for 2100MHz spectrum there are only 2 phases of additional MRO for existing licensee and 3 phases of MRO for existing licensee. 	<p>7. Rural SDCA list is available on DoT website.</p> <p>5. PBG of requisite amount is required separately for 800 MHz, 900 MHz/1800 MHz & 2100MHz bands.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>7. There is a very important dependency for meeting MRO, on the testing schedule as well as rural SDCA list. As an operator it would not be possible to plan or meet MRO in absence of a practical testing schedule & rural SDCA list. Please confirm that roll-out obligations would commence from the date from which DoT makes available the testing schedule as well as rural SDCA list for a given circle.</p>	<p>available on DoT website. For Roll Out obligations NIA is self-explanatory.</p>
352.	<p>Reference: Clause 4.7 Existing Licensee 2nd Bullet point Upon declaration as successful bidder, the existing CMTS/UASL/UL(AS)/UL held by them shall be amended by way of inclusion of an addendum comprising of this NIA. And similar clause in third bullet point within 4.7 for new licensee</p> <p>Q By issuing a generic amendment stating that Notice Inviting Application and Queries & Responses as part and parcel to the amendment leads to confusion and principals of Contract that the Agreement has to be self-sufficient. Notice Inviting Application and Queries & Responses should be referred to only in case the Contract / Agreement terms are not clear. When something is made part of the License Agreement which in law is a reality but in practice will create concerns / misinterpretation / misunderstanding / complications. Hence shouldn't clear amendment be issued vide which the terms such as spectrum allocated, effective date, roll-out obligations, expiry terms etc. are categorically clear to the successful bidder, Pls. confirm?</p>	<p>No change in NIA conditions.</p>
353.	<p>Reference: Clause 5.4.6 Ranking of Bidders and Provisional Winning Bidders To summarize the rank rules, they state ranking will be in following order 1) In descending order according to the Clock Round Price for that Service Area in the respective band in the Clock Round when the bid was made. 2) in descending order of the count of the number of times the bid has been submitted for a Unique Clock Round Price (excluding the Current Clock Round for which the rank is being generated) for the particular Service Area in the particular band;</p>	<p>No change in NIA conditions.</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	<p>3) in descending order of the highest Clock Round Price when the bid was submitted in the earlier rounds (excluding the Current Clock Round for which the rank is being generated) in the respective Service Area for a particular band</p> <p>4) in descending order according to the number of Blocks for which bid has been submitted by the bidder for a particular Service Area in the particular band at the Current Clock Round Price</p> <p>5) ranking will be in descending order according to the total value of all Blocks for which bid has been submitted by the bidder for all the Service Areas across all the bands at the Current Clock Round Price</p> <p>6) ties will be broken according to a random index assigned to the Bid in that service area when it is received by the EAS</p> <p>Q</p> <p>The ranking rules define various combinations which define the ranking of provisional winning bids to allocate the spectrum on auction with:</p> <p>Rules 1 to 3 – defining ranks on basis of circle specific unique price events</p> <p>Rule 4 - defining ranks on basis of circle specific bidding quantum on basis of block sizes</p> <p>Rule 5 - defining ranks on basis of Pan-India bidding quantum on basis of block sizes across all bands</p> <p>Rule 6 - having random index based ranking.</p> <p>It is observed that rule 4 and rule 5 have an element of bias attached towards those bidders making larger bids either at band/ service-area level or pan-India level.</p> <p>These two rule based on bid volume extend an unfair advantage to bigger operators who are renewing their expiring licenses. An operator placing incremental / smaller bids would not be able to compete with such operators placing larger bids, even when both set of operators are bidding for spectrum at same price.</p> <p>Hence, humbly request DoT to remove such ranking methodologies that does not create a level playing field amongst bidders. Please confirm that rule 4 and 5 would be removed from NIA and upon tie after rule 3, directly random index based ranking would be effected?</p>	

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
354.	<p>Reference: 5.3.1 Spectrum Holding Capping Rule</p> <p>For the purpose of this Auction the bidding by the bidders for each of the Service Areas in each of the bands will be restricted by a Cap which would depend on the Spectrum assigned in the respective band (1800 MHz/ 900 MHz/800 MHz) and also on the Total Spectrum assigned in all the bands namely 800 MHz/ 900 MHz/ 1800 MHz/ 2.1 GHz/ 2.3 GHz/ 2.5 GHz along with respective paired frequencies</p> <p>Q Three licensees have varying amount of spectrum assigned in 900MHz and 1800MHz bands in the erstwhile “Chennai” and “Rest of Tamil Nadu” service areas. For eg. some of them have 900MHz only in Chennai or vice versa and only 1800MHz spectrum in “Rest of Tamil Nadu” or vice versa. Please confirm how are the spectrum caps devised in such scenario for these operators?</p>	<p>In Tamilnadu service area, spectrum holdings have been reflected by taking maximum allotment in a particular band in any of Tamilnadu excluding Chennai and Chennai service area.</p>
355.	<p>Clause 4.7 of NIA (Allotment of Spectrum- New Entrants) states as follows: “Upon declaration as successful applicant, the applicant Company can apply to AS Wing of DoT for grant of an Lol for Unified License for applicable service area for which it proposes to participate in the auction. The date of validity of Lol to be issued on completion of the application for grant of Unified License shall be 20 days after the date of declaration of successful bidder.”</p> <p>Clause (c) of the undertaking in Format 8.3.3 provides that “That in case the Applicant is declared a Successful Bidder in any of the Specified Service Area (s) it shall apply for a Unified Licence...”</p> <p>Further Clause (f) of the undertaking in Format 8.3.3, provides that the application for UL has to be made within 7 days of the applicant being declared a successful ‘applicant’.</p> <p>We therefore request DoT to clarify and inform the day by which such applications for UL can be submitted in case of New Entrants.</p>	<p>Please refer to Amendment No. 3.</p>
356.	<p>Where merger case is under consideration will it be appropriate that authorization application / UL application may be submitted subsequent to merger approval/final decision? This is so</p>	<p>NIA is self-explanatory & it is a</p>

Auction of Spectrum in 2100 MHz, 1800MHz,900MHz, 800 MHz Bands – Queries & Responses

Query No.	Query	Response
	since the merger will include transfer of existing UASL to the merged entity and the new entrant is required to have a UL.	commercial decision of applicant.