Government of India Ministry of Communications & IT Department of Telecommunication Wireless Planning & Co-ordination (WPC) Wing

Sanchar Bhavan, 20, Ashoka Road, New Delhi-110 001

Date: 22nd March, 2012

No. P-11014/34/2009-PP (I)

ORDER

Subject: Royalty charges for Assignments of Frequencies to 'Captive Users' (users being charged on formula basis) including all Government Users, involving Single Channel Operations for Fixed/ Land/ Land Mobile Stations/ terrestrial Broadcasting.

In pursuance of Power conferred by section 4 of the Indian Telegraph Act, 1885(13 of 1885) and in supersession of this Ministry's Orders No. R-11014/26/2002-LR dated 06.05.2003 and No. R-11014/4/87-LR dated 09.12.1987, the Central Government has decided the following Royalty charges for Assignments of Frequencies to 'Captive Users' (users being charged on formula basis) including all Government Users, involving **Single Channel** Operations for Fixed/ Land/ Land Mobile Stations/ Broadcasting:-

- 2. *Annual Royalty per Carrier (in Rs.) = M x W;* and the following rules apply:
 - i. The Basic Royalty (M) given below is for one carrier frequency in a Basic Link (simplex) of 2 Fixed/ Land/ Land Mobile stations (1 station for terrestrial Broadcasting).
 - ii. The Minimum Channel bandwidth for charging purpose is 12.5 kHz.
 - iii. Duplex circuits and Semi-duplex circuits shall be charged at twice the rate of simplex (single central frequency) circuits.
 - iv. For multi-frequency circuits, even if operating in simplex mode, the Basic Royalty shall be charged for each frequency separately.
 - v. For each additional station beyond the Basic Link (i.e. 2 stations), operating on the same carrier frequency, additional royalty will be charged @ 25% of that payable for the Basic Link of that frequency.
 - vi. For the purpose of charging Royalty, the bandwidth factor W shall be computed in terms of a Unit Channel Width of 12.5 KHz (equivalent voice channel):

Actual Channel Bandwidth in kHz

W = -----, rounded to next higher integer. 12.5

- vii. For all carrier frequencies, the chargeable bandwidth shall include the Guard Bands required to be provided as per ITU.
- viii. The following Table-A is applicable only for Single Channel Bandwidths up to 375 KHz, inclusive of guard-band.

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Distance Cat.	"Maximum Distance (KM) Over Which the F/L/LM Network would operate"	Royalty (in Rs.) for 24-hour operation of the Basic Link (M) per Carrier	Royalty (in Rs.) for 12-hour operation of the Basic Link, adjusted for inflation.	Per Carrier Royalty for each additional station beyond the Basic Pair (Rs.) working in the same frequency
		M	m1	m2
I	<= 2	1500	N/A	25%
II	<= 5	3000	N/A	25%
III	> 5 <= 25	6000	N/A	25%
IV	> 25 <= 60	12000	N/A	25%
V	> 60 <= 120	22500	N/A	25%
VI	> 120 <= 500	37500	25000	25%
VII	> 500	50000	33330	25%

Table A-for the 'M' Factor

- ix. In addition to above, the explanatory "Notes" on the applicability of royalty charges, are as following:
 - A *simplex* operation is a method in which transmission is made possible alternately in each direction of a communication channel, e.g. by manual control.
 - A *duplex* operation is a method in which transmission is possible simultaneously in both directions of a telecommunication channel.
 - A *semi-duplex* operation is a method which is simplex operation at one end of the circuit and duplex operation at the other.
 - To determine the "Maximum Distance" slab applicable to a case, the 'maximum power rating/ assigned' of the transmission equipment be considered, and expressly recorded in the assignment instrument Decision Letter, Agreement-in-Principle, or Wireless Operating License (DL/ AIP/ WOL).
 - The *duration* of a radio frequency assignment will normally be one or two years. If an applicant desires, and frequencies are available, the duration of assignment may be fixed as three or four or five years.
 - Before issuing any DL/ AIP/ WOL, full amounts of Royalty shall be submitted by the applicant in advance for the entire duration of the DL/ AIP/ WOL.
 - For all assignments of frequencies, all applicants or users shall pay the applicable Royalty, License Fee, etc. at the rates and terms in force from time to time, all previously paid amounts being adjusted on pro-rata basis.
 - Frequencies will normally be assigned, and hence charged, on 24-hour basis, unless indicated otherwise.



Royalty Charges for Single channel

x. The most highly demanded VHF/UHF bands of <u>146-174 MHz</u> and <u>338-470 MHz</u> the rates of <u>Annual Royalty</u> given above be increased by **15%** and **10%** *respectively* in the **Municipal/ state areas** of **Mumbai**, **Delhi**, **Tamil Nadu**, **Karnataka and Andhra Pradesh.** The enhanced charges shall become applicable to any wireless circuit whose even one station falls within these Service Areas.

3. For Charging of "Licence fee and other fees, Surcharge/ late fee and Charging Methodologies for Royalty / licence fees, Order No. No. P-11014/34/2009-PP (IV) dated 22nd March, 2012 shall be applicable

4. This issues with the concurrence of the Wireless Finance Division, vide this Dy. No.482/Sr.DDG(WPF), dated 19/3/12.

5. This Order shall come into force from 1st April 2012.

(Virésh Goel) Deputy Wireless Advisor to the Government of India

Copy to:

- 1. All concerned
- 2. Wireless Finance Division
- 3. Wireless Monitoring Organisation
- 4. Director, IT DoT for uploading on DoT website
- 5. DWA(ASMS) for uploading on WPC Wing website