(c) whether it is also a fact that such operators whose licences have been cancelled are being given undue benefits due to this inability of Government; and

(d) if so, the Government's reaction in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) No, Sir.

(b) The Government has announced Guidelines for Auction and Allotment of Spectrum in 1800 MHz and 800 MHz bands on 3rd July, 2012 in respect of certain issues, which include, among others, objective of auction, eligibility criteria, amount of spectrum, number of blocks and size of the blocks and validity period of auctioned spectrum, Government has also released on 27.8.2012 the Information Memorandum for auction of spectrum in 1800 MHz and 800 MHz bands.

(c) No, Sir.

(d) Does not arise in view of (c) above.

Delay in allocation of spectrum and licences

†2228. SHRI SHIVANAND TIWARI: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that 122 licences were cancelled in February, 2012 by the Supreme Court after finding the irregularities in spectrum allocation;

(b) if so, the facts in this regard;

(c) whether it is also a fact that now new licences will be allocated by 30 January, 2013 as per the scheduled programme of Government; and

(d) whether certain sectors have been benefited by this delay of Government and if so, the nature of such benefits, area-wise alongwith the names of beneficiaries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) and (b) Sir, In Writ Petition (Civil) Nos. 423 of 2010 & 10 of 2011, Supreme Court judgment dated 02.02.2012 mentions, among other things, that *"The licences granted to the private respondents on or after 10.1.2008 pursuant to two press releases issued on 10.1.2008 and subsequent allocation of spectrum to the licensees are declared illegal and are quashed. The above direction shall become operative after four months."*

Certain important observations of Supreme Court are:

(i) There is a fundamental flaw in the first-come-first-served policy inasmuch as it involves an element of pure chance or accident.

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†Original notice of the question was received in Hindi.

(ii) While transferring or alienating the natural resources, the State is duty bound to adopt the method of auction by giving wide publicity so that all eligible persons can participate in the process.

(iii) The exercise undertaken by the officers of the DoT between September, 2007 and March, 2008, under the leadership of the then Minister of C&IT was wholly arbitrary, capricious and contrary to public interest apart from being violative of the doctrine of equality.

The Government had filed an Interlocutory Application (IA) No. 5 of 2012 in the Supreme Court on 1st March, 2012 seeking clarifications from the Hon'ble Court in order to implement its order dated 02.02.2012, placing on record the proposed auction schedule which may take at least 400 days and indicating that there will be a time gap between cessation of licences as per Supreme Court order and completion of auction. *vide* order dated 24.04.2012, Supreme Court had directed that:

"(1) *The time specified in judgment dated 2.2.2012 in Writ Petition No. 423 of 2010 and Writ Petition No. 10 of 2011 for conducting the auction for grant of fresh licenses and allocation of spectrum is extended upto 31.08.2012. This would necessarily mean that the applicant shall have to finalise the auction on or before 31.08.2012.*

(2) *The existing licenses shall be entitled to continue to operate till 07.09.2012."*

(c) An IA No. 8 of 2012 has been filed by the Government before Supreme Court on 09.08.2012 for extension of time for conducting auction of 2G spectrum and with prayer *"(a) pass appropriate orders that the Applicant may conduct the auction process in accordance with the time line set forth in* ***Annexure A-4*** *hereto to facilitate the commencement of actual auction of spectrum on or before 12.11.2012; (b) Pass appropriate orders that following the completion of the auction, the applicant may complete the further process of allocation of spectrum and grant of licences in a further period of 40 days'".* However, after hearing IA No.8 on 27.08.2012, Supreme Court has accepted the prayer to the extent of allowing time till 11.01.2013 for conducting and completing the auction in terms of the direction given by Supreme Court on 02.02.2012.

(d) Does not arise in view of above.

Mobile phones for BPL families

†2229. SHRI RAM JETHMALANI: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

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†Original notice of the question was received in Hindi.