

**Reserve price for 2G spectrum**

1606. SHRI PRAKASH JAVADEKAR: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) the basis of fixation of reserve price of Rs. 14,000 crore for 2G spectrum along with the details thereof;

(b) the reasons for not agreeing to TRAI recommendation on spectrum price of Rs.8000 crores; and

(c) on this background how does Government explain the zero-loss on sanctioning of spectrum at Rs. 1,650 crores in 2008?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) to (b) Government has fixed Rs. 14000 crores as pan India reserve price for 1800 MHz band 2G spectrum, taking into account, among others, the following:

- The recommendations of TRAI in the matter;
- the fact that the reserve price is only the floor price, and that the final applicable one time charges for spectrum will be discovered through auction;
- the desirability of keeping the reserve price at a level so as to encourage the participation of more players in the auction;
- the fact that the total Government revenues from the auction will depend both on the one time charges for the spectrum and the Spectrum Usage Charges (SUC);

(c) In the year 2008, as per the existing policy, 2G start-up spectrum was assigned as per the provisions of the Unified Access Service License. No separate upfront charges were levied for allotment of 2G spectrum. However, annual spectrum usages charges are being levied as a percentage of Adjusted Gross Revenue (AGR).

**Compensation notice from foreign investors for loss of 2G licence**

†1607. SHRI RASHEED MASOOD: 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.

(a) whether it is a fact that Government has received notices for compensation from foreign investors who have lost licences consequent upon probe of 2G scam;

(b) if so, the details thereof; and

(c) Government's stand on these notices?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) to (c) Consequent to the Supreme Court's decision dated 02.02.2012 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 quashed, Government has received legal notices from following foreign investors for conciliation and amicable settlement of the foreign investment disputes under provisions of bilateral investment treaties:

- (i) M/s Sistema Joint Stock Financial Corporation, Russia investor in M/s Sistema Shyam Teleservices Limited (SSTL);
- (ii) M/s Telenor Asia Pvt. Ltd., Singapore investor in M/s Unitech Wireless (Tamil Nadu) Ltd, Chennai;
- (iii) M/s Capital Global Ltd., Mauritius investor in M/s Loop Telecom Ltd.;
- (iv) M/s Kaif Investment Limited, Mauritius investor in M/s Loop Telecom Ltd.;
- (v) Axiata Group Berhad, Malaysia investor in M/s Idea Cellular Ltd.;
- (vi) M/s Axiata Investments 1 (India) Limited and M/s Axiata Investments 2 (India) Limited investor in M/s Idea Cellular Ltd.

An Inter-Ministerial Group (IMG), under the chairmanship of Secretary (Telecom) has been constituted in Department of Telecommunications to evolve a coordinated response of the Government to the legal notices. The legal notices are being handled by the IMG for amicable settlement.

#### **Revenue from auction of 2G spectrum**

†1608. SHRI MAHENDRA SINGH MAHRA: 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.