

(b) whether the Ministry is going to take any steps in coordination with the Ministry of Home Affairs to prevent misuse of international SIM cards by anti-national elements; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) to (c) Department of Telecommunication (DoT) issues No objection Certificate (NoC) for sale of International SIM cards/Global Calling Cards in India with certain terms and conditions to the Indian companies. These cards are being offered only to Indian customers for use outside India only. All such companies are required to send the details of subscriber related information to Security Agencies periodically. Further, Telecom Enforcement Resource and Monitoring (TERM) Cells *i.e.* field units of DoT have also been directed to carry out periodic inspections of such companies *vide* letter dated 27.06.12.

**Empowered Group of Ministers' decision on charging of
spectrum fee**

2397. SHRIMATI GUNDU SUDHARANI:

SHRI JAI PRAKASH NARAYAN SINGH:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Empowered Group of Ministers (EGoM) has overruled the recommendations of the Telecom Commission to suit the interests of certain operators and thereby decided to charge excess spectrum prospectively from the earlier decision of the Telecom Commission to charge retrospectively;

(b) whether it is also a fact that CAG has estimated the loss at ₹ 36,993 crores for the excess spectrum;

(c) if so, whether Government has calculated the impact of charging spectrum fee from retrospective date to prospective date;

(d) if so, the details thereof; and

(e) the reasons for overruling of the decision of the Telecom Commission by EGoMs?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) and (e) Empowered Group of Ministers (EGoM), after considering various issues, including Telecom Commission recommendations, Ld. Attorney General's opinion, etc. on the issue of one time spectrum charge, made, among others, the following recommendations:

- (i) For spectrum holding upto 4.4 MHz (GSM)/2.5 MHz (CDMA), no one-time charge be levied.
- (ii) For all spectrum holdings beyond 4.4 MHz (GSM)/2.5 MHz (CDMA), one time charge be levied prospectively at 2012 auction determined price. Date of charging will be the date of commencement of the first quarter following the cabinet decision.
- (iii) For spectrum held above 6.2 (GSM)/5.0 MHz (CDMA), one time charge be levied from July, 2008 onwards. There will be two prices. The price, pro-rated for the period July, 2008 upto the date of applicability of auction determined price, would be the 2001 entry fee divided by 6.2, duly indexed using State Bank of India Prime Lending Rate (SBI PLR). The auction determined price be levied for spectrum beyond 6.2 (GSM)/5.0 MHz (CDMA) with effect from the date of commencement of the first quarter following the date of the Cabinet decision.
- (b) The extract of the para 4.10 of the CAG Report No.19 of 2010-11 is given in Statement (*See* below).
- (c) Government has decided to levy one time charge on holding of excess spectrum beyond 6.2 MHz (GSM) from July, 2008 onwards.
- (d) Does not arise in view of (c) above.

Statement

Value of spectrum allocated beyond the contracted quantity

It was noticed in audit that 9 operators as per the details in the box, were allotted spectrum beyond the upper limit laid down in the UASL agreement. Thus while the DoT, on one hand, was not processing pending applications for licence due to non availability of spectrum, on the other hand it was allotting spectrum to existing operators beyond the contracted limit without any upfront charges being

imposed or without determination of market price of spectrum. **Based on the amount charged from CDMA operators for grant of GSM spectrum in 2007, the value of spectrum held by these operators beyond the contracted unit:**

Aircel	3.6	1
Bharti	32.4	13
BPL (Mumbai)	3.8	1
BSNL	61.6	19
IDEA	12.6	6
MTNL (Delhi and Mumbai)	12.4	2
Reliance	.1.8	1
Spice (Punjab)	1.6	1
Vodafone	19.6	7

worked out to Rs. 2561 crore though its market value on date would be higher.

The Technical Committee appointed by Hon'ble MoC&IT for "Allocation of Access (GSM/CDMA) spectrum and pricing" recommended in May 2009, that the additional spectrum assigned beyond 6.2+6.2 MHz in a service area should attract an upfront charge equivalent to the 3G auction price from the date of assignment.

Subsequently, TRAI also recommended in May 2010 for charging the additional spectrum held by operators beyond the licensed quantity which is under consideration of the Government. In the event of these recommendations being accepted, **the additional flow of revenue to the Government would come to Rs. 36,993 crore.**

Methodology for charging of excess spectrum

2398. SHRI JAI PRAKASH NARAYAN SINGH:

SHRIMATI GUNDU SUDHARANI:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Government is proposing to charge the operators for excess spectrum held by them from 2008 onwards till December, 2012 at 2001