

**Information note to the Press (Press Release No. 05/2015)**

For Immediate release

**Telecom Regulatory Authority of India**

**TRAI issues Clarifications / Reconsideration of Recommendations on 'Valuation and Reserve Price of Spectrum: 2100 MHz Band'**

**New Delhi, 15<sup>th</sup> January 2015** - The Authority had sent its recommendations on 'Valuation and Reserve Price of Spectrum: 2100 MHz Band' on 31<sup>st</sup> December 2014 to the Department of Telecommunications (DoT). On 8<sup>th</sup> January 2015, the DoT sought clarifications/ reconsideration on many of the recommendations.

After considering the comments given by the DoT, the Authority has furnished its response to the Government. The Authority, has reiterated its earlier recommendations with detailed reasoning. These recommendations, inter-alia, include –

- (i) There is no change in the reserve prices for spectrum in the 2100 MHz bands from what were recommended earlier.
- (ii) The whole purpose of clubbing the 2100 MHz band spectrum along with spectrum of other bands for auction in February 2015 will be defeated if sufficient spectrum is not made available in the 2100 MHz band. A split auction of 2100 MHz (one in February 2015 and remaining, say, in December 2015 after availability from Defence) will artificially increase the market price of 2100 MHz in February 2015 because of the severe supply constraint. The 15 MHz of spectrum in the 2100 MHz spectrum being vacated by Ministry of Defence should be auctioned in view of the in-principle agreement reached with MoD, even if it is not available immediately.
- (iii) The Authority reiterated that in the upcoming auction of 2100 MHz band spectrum, an auction-specific cap should be placed that no bidder would be permitted to bid for more than 2 blocks in an LSA if 3-4 blocks are available in that LSA.
- (iv) It is the responsibility of the DoT to ensure that the spectrum being auctioned is either interference free or to share information upfront about the areas where interference is likely to occur so that the TSPs participating in the auction can take informed decision.

The response to the Government has been placed on TRAI's website [www.trai.gov.in](http://www.trai.gov.in)

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