

File No. 20-586/2018-AS.I
Government of India
Ministry of Communications
Department of Telecommunications
20, Ashoka Road, New Delhi - 110001

Dated: 19th March 2018

To,

All the CMTS Licensees.

Subject: Amendment to the CMTS License for payment of Deferred Payment Liabilities of TSPs on Spectrum won in auction in the years 2012, 2013, 2014, 2015 & 2016 and revised Spectrum Cap-reg.

In pursuance to Condition 5.1, the Licensor hereby amends the CMTS License Agreement and appends the Clause number 19.3.1 of Financial Conditions, Part-III, Radio Spectrum Charges and Clause number 46.8 of License, Part VII as under:

“19.3.1 Deferred Payment Liabilities on spectrum

(a) The Licensee may opt one time for higher number of instalments including in the current financial year 2017-18 (maximum 16 instalments) for deferred payment liabilities as per Notice Inviting Application (NIA) for auctions conducted for award of spectrum in the years 2012, 2013, 2014, 2015 and 2016 as detailed below:

Year of Auction	Restructured Number of instalments
2012	14
2013	14
2014	15
2015	16
2016	16

(b) These instalments are based upon the principle that the Net Present Value (NPV) of the “Payment Due” is protected as enumerated in respective NIAs for auctions in the years 2012, 2013, 2014, 2015 and 2016 as detailed below:

Sr. No.	Reference NIA	Year of Spectrum Auction	Rate of Interest
1	NIA dated 28.9.2012	November 2012	9.75%
2	NIA dated 30.1.2013	March 2013	9.75%
3	NIA dated 12.12.2013	February 2014	10.0%
4	NIA dated 9.1.2015	March 2015	10.0%
5	NIA dated 8.8.2016	October 2016	9.3%

(c) The above one-time opportunity to opt for higher number of instalments for Deferred Payment Liabilities of TSPs for spectrum is another option in addition to currently available payment terms as mentioned in NIAs referred in para 19.3.1 (b) above.

(d) There shall be no change in the moratorium period as provided in respective NIAs as referred in clause 19.3.1 (b) above for payment of deferred payment liabilities.

(e) The instalments that have already been paid shall not be modified.

2. Further, in exercise of powers conferred under condition 5.1 of licence agreement, the licensor amends the limit of cap for spectrum in supercession of the amendment dated 26.09.2016 by appending clause 46.6 as under:-

46.8 Limit of Cap for spectrum holding:

Notwithstanding anything contained in NIA for auctions conducted for award of spectrum in the years 2012, 2013, 2014, 2015 and 2016, the limit of Cap for spectrum holding are hereby revised as detailed below:

(a) The overall spectrum cap is revised from the current limit of 25% to 35%.

(b) The current intra-band cap is removed and a Cap of 50% on the combined spectrum holding in the sub-1 GHz bands (700 MHz, 800 MHz and 900 MHz bands) is applicable.

(c) There shall be no Cap for individual or combined spectrum holding in above 1 GHz band.

(d) The principle applied in NIA of August 2016 for calculation of spectrum cap shall continue to be applied while calculating revised overall as well as sub-1GHz spectrum cap. These are enumerated as below:

i) All spectrum assigned to TSPs, including quantity of spectrum whose rights to use were put to auction but remained unsold, spectrum whose rights to use were assigned but subsequently surrendered by the TSPs or taken back by the Licensor and quantity of spectrum whose rights to use are being put to auction would be counted for the purpose of the spectrum cap.

ii) The spectrum which may become available to DoT for commercial use after its refarming from other uses (such as defence) at different points of time would not be counted for determining the spectrum caps until its rights to use are put to auction.

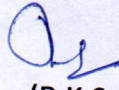
iii) In case a situation arises where due to any subsequent assignment of spectrum to defence/ non-commercial usage, spectrum cap is affected adversely, no TSP would be asked to surrender right to use of any spectrum which it already holds. For the sake of level playing field among

Telecom Service Providers (TSPs), the same spectrum cap shall be made applicable for all the telecom service providers in that Licensed Service Area."

(e) The above spectrum caps may be revisited after Final Acts of World Radiocommunication Conference (WRC) 2019.

2. These amendments shall be part and parcel of the CMTS License Agreement and all others Terms & Conditions shall remain unchanged.

3. These Amendments come into force with immediate effect.

 19/3/18
(R.K.Soni)

Director (AS)

Ph. No. 23036284

Copy to,

1. Secretary (TRAI)
2. Sr. DDG (TEC)/ Wireless Advisor/ Sr. DDG (DGT-HQ)/ Sr. DDG (LFP)/ DDG (LFA)and DDG (WPF)
3. Advisor (Economics)/ DDG (CS)/ DDG (DS)/ DDG (A/C)/ CVO
4. COAI.
5. Director (IT) may kindly arrange to upload this letter on the website of DoT.
6. All Directors of AS Division.