

No. P-14010/01/2014
Government of India
Ministry of Communications & IT
Department of Telecommunications
WPC Wing, 6th floor, Sanchar Bhawan, New Delhi

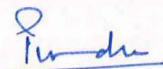
Dated the 5th February, 2015

ORDER

Subject: - Spectrum Usage Charges (SUC) for the Spectrum in 800 MHz, 900 MHz, 1800 MHz and 2100 MHz bands held by the Telecom Service Providers (TSPs).

In continuation to earlier order No. P-14010/01/2014-NTG dated 31.10.2014, the Central Government hereby prescribes the following rates of spectrum usage charges for spectrum held by the Telecom Service Providers in 800 MHz, 900 MHz, 1800 MHz, 2100 MHz and BWA spectrum bands in pursuance of the powers conferred by section 4 of the Indian Telegraph Act, 1885 (Act No. 13 of 1885).

2. The Spectrum Usage Charges for the spectrum in 800 MHz, 900 MHz, 1800 MHz and 2100 MHz bands held by the Telecom Service Providers shall be as below:
 - (i) For spectrum acquired through auction during March 2015 in 800 MHz, 900 MHz, 1800 MHz and 2100 MHz bands, SUC shall be charged at 5% of the AGR.
 - (ii) In cases of combination of existing spectrum in 800 MHz, 900 MHz, 1800 MHz and 2100 MHz bands and spectrum acquired through the auction, the weighted average shall be calculated as equal to (a) sum of spectrum held prior to auction held during March 2015 multiplied by applicable rate as per orders dated 25.02.2010, 31.10.2014 and SUC rates as per Notice Inviting Application (NIA) dated 25.02.2010 and (b) spectrum acquired through auction held during March 2015 multiplied by five and then the sum of (a) and (b) divided by total spectrum holding.
 - (iii) The licensees, who have not acquired spectrum through auction held during February 2014/March 2015, shall continue to pay SUC at the applicable slab rate as per the order dated 25.02.2010.
 - (iv) For the purpose of calculation of spectrum usage charge, there shall be a minimum AGR which shall be not less than 5% of the bid amount. The calculation of spectrum usage charges shall be on the basis of minimum AGR or the actual AGR whichever is higher.
 - (v) The weighted average rate shall be kept to two decimal points by rounding off the second decimal figure to the next higher digit. The rounding off shall be made to next higher digit at two decimal points even if the third decimal point is less than 5.



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3. In respect of BWA spectrum acquired through auction in 2010, the SUC shall continue to be charged, as per present practice (i.e. para 3.5 of the Notice Inviting Applications (NIA) dated 25.02.2010 for Auction of 3G and BWA spectrum), licensees using BWA spectrum need to pay 1% of AGR from services using this spectrum as annual spectrum charge irrespective of the licence held by them. Such revenue would be required to be reported separately and the operator be required to report the use of BWA spectrum and the revenue earned there from separately. The operator will have to put in place a system for independently monitoring and verifying the revenue earned from BWA frequencies to prevent revenue misrepresentation.
4. This order shall come into force from the date of issue of letter of Intent (LOI).
5. The above rates of SUC are subject to review by the Government from time to time.
6. This issues with the concurrence of DoT Finance vide Dy/FTS no. 598 dated 05.02.2015.



(P S M Tripathi)

Assistant Wireless Adviser to the Government of India

Copy to:

1. Secretary (T)/ Members of Telecom Commission
2. Chairman, TRAI.
3. Chief Vigilance Officer, DoT.
4. DG P&T, Audit, Delhi.
5. Sr. DDG (WPF).DoT
6. Sr. DDG (AS), DoT.
7. Director Wireless Monitoring Organization, New Delhi.
8. Director Internal Audit, DoT.
9. All Access Service Providers.