



## **PRESS RELEASE**

- 1) The recent announcements in the press by representatives of incumbent operators is yet another attempt by incumbent operators to both defraud the Government of revenues as well as to drive new networks out-of-business by attempting to influence the Government to implement a completely different set of rules for loss making new networks compared to what applies to the highly profitable incumbents.
- 2) Just because incumbents have benefitted from the largesse bestowed to them by the Governments of the past – e.g. being allocated more spectrum than allowed by licence conditions, or changes to interconnection regime etc. – these incumbent GSM operators believe they can similarly influence the Government yet again to take steps that protect their massive profits at the cost of Government revenues, competition and the customer.
- 3) The incumbents are mis-representing the fact on what is contracted spectrum. As has been stated in various judgments and in the licence terms – the contracted spectrum is 6.2 MHz – not less and not more.
- 4) The very same incumbents asking for auctions beyond 4.4 MHz have themselves paid about Rs 1650 crores for 6.2 MHz and in many cases much higher spectrum – yet, for new entrant networks, they want the spectrum allocated with the licence to be only 4.4 MHz.
- 5) In the past, 6.2 MHz has been allotted as a startup spectrum. In 2002, incumbent operators like Bharti and Vodafone have been allotted start up spectrum of 6.2 MHz. Operators like Bharti, Aircel, Spice, BPL were issued 6.2 MHz prior to 1<sup>st</sup> February, 2002, even without policy framework. The criteria for enhancement in spectrum from 4.4 MHz to 6.2 MHz was specified only in Mar'06.
- 6) Even where incumbents have adopted the subscriber linked criteria to get to additional spectrum, the criteria adopted for incumbents has been three times more relaxed than what is applicable today to new networks. Where is the justification of making it yet more difficult for new networks to get to their rightful allocation, apart from the desire to force them to close operations?
- 7) While the incumbents have ludicrous claims that Government can make money by denying new networks their rightful allocation to 6.2 MHz, they are totally quiet on the Government withdrawing the spectrum illegally allocated to them beyond 6.2 MHz and running an auction for its re-allocation..
- 8) The private dominant operators are holding in excess of over 70 MHz of spectrum across circles beyond the contracted spectrum of 6.2 MHz which have not been paid for. This itself should fetch the Government over Rs.20,000 crores on being charged market prices or Govt auctioning it after operators return it.

**S. C. KHANNA**  
**SECRETARY GENERAL**