

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA
UNSTARRED QUESTION No. 1754
TO BE ANSWERED ON 27TH JULY, 2022**

5G SPECTRUM PRICES

1754. DR. SANJEEV KUMAR SINGARI:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether it is true that 5G spectrum prices (on per Mhz basis) in India are the most expensive in the world;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether it is also true that India's spectrum costs as a proportion of annual recurring telecom revenues are among the highest in the world;
- (d) if so, the details thereof and the reasons therefor;
- (e) whether the Government proposes to reduce the base price for 5G spectrum by 36%, as recommended by the Telecom Regulatory Authority of India; and
- (f) if so, the details thereof and if not, the reasons therefor?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS
(SHRI DEVUSINH CHAUHAN)**

(a) to (d) Telecom Regulatory Authority of India (TRAI) in its recommendations dated 01.08.2018, stated that

“TRAI studied the auctions for information in other jurisdictions to carry out a comparative analysis of spectrum valuation and pricing. After analysis of the Auction of 3300-3600 MHz, in various countries, it is evident that due to lack of adequate comparable data points, international benchmarking may not be appropriate for current valuation exercise for 3300-3600 MHz.”

Also, TRAI in its recommendations dated 11.04.2022 stated that

“The use of international benchmarking is constrained by limitations arising from inter-country differences in geography, population, GDP, per capita incomes, ARPU, etc. It is often remarked that some of the License Service Areas (LSAs) in India are the size of some of the countries with

which comparisons are sought to be made, whether on the basis of geography, population, or GSDP/ GDP. Further, it needs to be noted that spectrum usage rights are alienated using different methodologies globally”

TRAI in its recommendation dated 11.04.2022 has further stated that

“Hence, given the differences in socio-economic conditions and regulatory regimes of the different jurisdictions, one must be careful in making simplistic inter-country comparisons of spectrum prices etc.”

Hence no inference can be drawn regarding Spectrum prices in India vis-à-vis its prices across the world.

(e) & (f) Based upon the recommendations of TRAI dated 11.04.2022, Union Cabinet in its meeting dated 14-06-2022 has approved the reserve prices for right to use of Spectrum in various Licensee Service Area (LSA)-Band combinations for Spectrum Auction 2022 which are reduced by upto 40% when compared to that of Reserve Prices recommended by TRAI during Spectrum Auction 2021. For instance, the reduction of pan-India total reserve prices per MHz in 700 MHz and 3300 MHz bands are 40.33% and 35.83% respectively.
