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Updated: October 16, 2024 19:32 IST

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Mukesh Ambani's Jio and Elon Musk's Starlink are competing for the spectrum for satellite communications. (File Photos)

Union Communications Minister [Jyotiraditya Scindia said](#) that India will administratively allocate spectrum for satellite communications, dealing a major blow to Reliance Jio which has been privately lobbying for an auction process for the spectrum. The government's stand is being seen as a big win for Jio's rivals in the space, particularly Elon Musk's Starlink, which wants the spectrum to be allocated administratively.

Though the division is being framed as a battle of billionaires, the reality is that it is infeasible for any single country to auction satellite spectrum, given its very nature. Unlike terrestrial spectrum which is used for mobile communications, satellite spectrum has no national territorial limits and is international in character. It is therefore coordinated and managed by the UN agency, International Telecommunications Union (ITU).

“Satellite spectrum across the world is allocated administratively. So India is not doing anything different from the rest of the world. Conversely, if you do decide to

“auction it, then you will be doing something which is different from the rest of the world... Satellite spectrum is shared spectrum. If the spectrum is shared, then how can you price it individually,” Scindia said on Tuesday.

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The Telecommunications Act, 2023, has added spectrum for satellite communication in the list of administrative allocation. The Department of Telecommunication (DoT) had later asked the Telecom Regulatory Authority of India (TRAI) to come up with a methodology to assign the spectrum.

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In September, the TRAI had issued a consultation paper titled 'Terms and Conditions for the Assignment of Spectrum for Certain Satellite-Based Commercial Communication Services,' which sought industry inputs on how to price spectrum for satcom services through the administrative route, which means without auctions.

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However, in letters written to the TRAI and DoT earlier this month, Reliance Jio has tried making a case for auction of satellite spectrum. Their essential argument is that administrative allocation may not be able to bring about a level playing field between satellite and terrestrial services.

In a private response to the consultation paper, Jio said, "we are surprised that the consultation paper has completely overlooked the critical issue of ensuring level playing field between satellite-based and terrestrial access services".

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"This omission has resulted in the lack of any questions addressing the need to create a level playing field between these services. Consequently, stakeholders will not be able to adequately consider and provide relevant inputs to TRAI, thereby undermining the fairness of recommendations and the Government of India's intent to promote balanced competition," Jio said. It made similar arguments in a letter to the DoT.

Responding to Jio's comments, Elon Musk said in a post on X, "That would be unprecedented, as this spectrum was long designated by the ITU as shared spectrum for satellites".

Airtel creates a stir

Sunil Bharti Mittal, chairperson of Bharti Enterprises, which has a controlling stake in the satellite communications company OneWeb on Tuesday said that the company is looking to offer satellite services in urban areas and to retail customers shortly. The company will be bound by the same conditions as companies offering terrestrial services.

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“And those satellite companies who have ambitions to come into urban areas, serving retail customers, just need to pay the telecom licences like everyone else. They are bound to the same conditions. They need to buy the spectrum as the telecom companies do, and need to pay the licence as the telecom companies do, and also secure the networks of the telecom companies,” Mittal said.

For many, Mittal’s comments seemed like a U-turn from Airtel’s long held stance that satcom spectrum should be administratively allocated.

In response to a 2021 consultation by the TRAI on a licensing regime for satellite communications, OneWeb had “strongly recommended” to take the administrative allocation route and charge a fee for it “in order to promote investment and make sure competitive prices are available to the market at the end”.

OneWeb India Communications is currently 100% owned by [Bharti Airtel](#) and holds a GMPCS (global mobile personal communications by satellite services) licence given by the telecom department, which is required to roll out satellite internet services in India. OneWeb’s UK holding company has already put in an FDI application to the Indian government.

However, Airtel on Tuesday clarified that there was no change in its stance.

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