

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

**RAJYA SABHA  
UNSTARRED QUESTION NO. 2100  
ANSWERED ON 7<sup>TH</sup> AUGUST, 2025**

**FINANCIAL ASSESSMENT AND RISK EVALUATION PRIOR TO SECTORAL  
SUPPORT**

**2100 SHRI RAGHAV CHADHA:**

Will the Minister of Communications be pleased to state:

- (a) whether any financial or operational assessment is undertaken by the Government before extending support to private sector companies in the telecom sector;
- (b) the criteria used to evaluate the viability and need for such support;
- (c) whether Government has identified risks to public funds in such cases;
- (d) the safeguards or oversight mechanisms put in place to mitigate such risks; and
- (e) whether there is any review mechanism to periodically assess the performance of recipient entities?

**ANSWER**

**MINISTER OF STATE FOR COMMUNICATIONS AND RURAL DEVELOPMENT  
(DR. PEMMASANI CHANDRA SEKHAR)**

(a) to (e) Reforms and support measures for the telecom sector have been introduced with the objective of promoting healthy competition, protect interests of consumers, improving liquidity position of the Telecom Service Providers (TSPs), encouraging investment and to reduce the regulatory burden on TSPs. While formulating these measures, due consideration is given to market share trends, the level of competition in the sector, the financial health of TSPs, the potential broader impact on the digital economy, and the need to accelerate digital infrastructure development. The relief provided through the moratorium on Adjusted Gross Revenue (AGR) dues and Spectrum auction instalments under the Telecom Reforms 2021 was revenue-neutral for the Government, as it involved restructuring the payment schedule of these dues while ensuring protection of Net Present Value (NPV). The Department of Telecommunications monitors adherence by the TSPs to terms and conditions associated with the support package, wherever applicable.

It may be noted that the telecom sector's gross revenue has grown significantly from ₹2.73 lakh crore in FY 2020-21 to ₹3.79 lakh crore in FY 2024-25, reflecting a Compound Annual Growth Rate (CAGR) of approximately 8.5%, to which the support provided under the Telecom Reforms 2021 has been a significant contributing factor.

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