

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

**RAJYA SABHA
UNSTARRED QUESTION NO. 652
TO BE ANSWERED ON 05TH FEBRUARY, 2026**

IMPLICATIONS OF RELIEF MEASURES

652 DR. ASHOK KUMAR MITTAL:

Will the Minister of Communications be pleased to state:

- (a) the details of assessment of long-term fiscal and competitive implications of granting repeated relief measures to select telecom operators while smaller players exit the market;
- (b) whether such relief packages risk distorting market competition and creating moral hazard by shifting the burden of regulatory dues onto the public exchequer and if so, the details thereof;
- (c) the details of any independent review of past policy decisions relating to spectrum pricing and AGR dues undertaken that have contributed to the present financial distress of the sector; and
- (d) the steps taken to bring structural reforms to ensure sectoral sustainability without recurring bailouts of private telecom entities?

ANSWER

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

(a) to (d) Reforms and support measures for the telecommunications sector have been introduced with the objective of promoting healthy competition, protecting consumer interests, improving the liquidity position of Telecom Service Providers (TSPs), encouraging investment and reducing regulatory burden. 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 key sectoral measures introduced over the last five years are as below:

- i. Rationalization of Definition of Adjusted Gross Revenue.
- ii. Rationalization of Interest rates and removal of Penalties for delayed payments of License Fee (LF)/Spectrum Usage Charges (SUC).
- iii. Rationalization of Bank Guarantee requirements under the license agreement.
- iv. Removal of levy of Spectrum Usage Charges on the spectrum acquired in auctions held after September 2021.
- v. Provision for payment of Spectrum auction bids in 20 equal annual instalments for auctions held after September 2021.
- vi. Requirement of securitizing annual deferred spectrum instalment with a Financial Bank Guarantee has been done away with in Spectrum auctions held after September 2021, while for auctions conducted prior to 2021, the same requirement has been rationalised, if certain conditions are met.

- vii. Surrender of spectrum will be permitted after 10 years for spectrum acquired in auctions held after September 2021.
- viii. The requirement of payment of additional 0.5% of AGR as SUC on sharing of spectrum has been removed.
- ix. Moratorium of up to four years in annual payments of dues arising out of the AGR judgement of the Hon'ble Supreme Court and spectrum purchased in past auctions held before 2021, applicable to access service licenses that are not under insolvency / liquidation proceedings. The moratorium is revenue neutral and Net Present Value (NPV) of the deferred payment is protected. Option to the Telecom Service Providers (TSPs) to pay the interest amount arising due to the said deferment of payment by way of equity was also given. Further, at the option of the Government and based on the prevailing situation, the outstanding amount of post-moratorium installments may be converted into equity.

Pursuant to the orders of the Hon'ble Supreme Court in W.P. (Civil) No. 882/2025 permitting reconsideration of the AGR dues of Vodafone Idea Limited, restructuring, including rescheduling and reassessment of the AGR dues of VIL, has also been approved. Past policy decisions have been taken through established process in government. Representations from industry associations, financial institutions and inter-ministerial consultations involving relevant Ministries are considered while formulating policy measures, wherever applicable. The Government continues to pursue easing of regulatory requirements, promotion of investment and strengthening of the regulatory framework, with the objective of ensuring long-term sectoral sustainability and a competitive telecommunications sector.
