

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

**RAJYA SABHA
UNSTARRED QUESTION NO. 2104
ANSWERED ON 06th AUGUST, 2026**

REVIEW OF SPECTRUM AUCTION MODEL

2104 SHRI SANJAY RAUT:

Will the Minister of Communications be pleased to state:

- (a) whether Government has reviewed the existing spectrum auction model and evaluated its impact on telecom affordability, competition and public revenue;
- (b) whether Government has examined a revenue-sharing mechanism wherein a fixed share of telecom operators' consumer billing revenue is contributed to the exchequer instead of relying mainly on spectrum auctions;
- (c) whether any assessment has been made regarding the impact of such a model on consumer tariffs, telecom investment and service quality; and
- (d) the steps taken to ensure that spectrum, a public resource, benefits citizens through affordable connectivity and transparent revenue generation?

ANSWER

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

- (a) The Telecom Regulatory Authority of India (TRAI) in its recommendation on 'The Auction of Radio Frequency Spectrum in the Frequency Bands Identified for International Mobile Telecommunications (IMT)' dated 24-02-2026 has reviewed the existing spectrum auction model and recommended that the existing Simultaneous Multiple Round Auction (SMRA) based spectrum auction model should be continued.
- (b) Telecom Service Providers (TSPs) are currently required to pay following:
 - (i) License Fee/Authorization Fee is paid at the rate of eight per cent of Adjusted Gross Revenue (AGR).
 - (ii) Spectrum Usage Charge (SUC) is paid at the weighted average rate of AGR and it has been made zero for the spectrum acquired after 2021 auctions. In addition, SUC for backhaul spectrum is also paid at the specified percentage of AGR.
 - (iii) Spectrum Auction Payment wherein TSPs have the option to make payment in annual instalments.
- (c) & (d) Spectrum is assigned to TSPs through auctions conducted in a transparent manner based on the recommendation of TRAI. TRAI employs different econometric models and considers other relevant factors to recommend Reserve Prices of different bands in different License Service

Areas (LSAs). TRAI also conducts a consultation process with stakeholders before finalising its recommendation.

The Government has taken the following steps to ensure that spectrum, being a public resource, benefits citizens through affordable connectivity and transparent revenue generation:

- (i) The auction is conducted on Electronic Auction System (EAS) based on the SMRA methodology.
- (ii) The spectrum is being made available for deployment of telecom technologies, improved network capacity, enhanced service quality, wider coverage and affordable digital connectivity.
- (iii) The Roll out obligations of spectrum auction framework promote timely rollout of telecom services.
- (iv) The Government has enabled spectrum trading, sharing and liberalization to facilitate more efficient and optimal utilization of spectrum by TSPs.
- (v) Spectrum-related revenues, including auction proceeds and other dues, are collected through a well-defined financial framework.
