

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

**LOK SABHA
UNSTARRED QUESTION NO. 2392
TO BE ANSWERED ON 16TH MARCH, 2022**

MEASURES FOR TELECOM SECTOR

2392. SHRI A. RAJA:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government has proposed a set of measures/reforms for the ailing Telecom sector by way of granting moratorium on unpaid dues, redefining Adjusted Gross Revenue (AGR) prospectively and cutting in Spectrum Usage Charges;
- (b) if so, the details thereof; and
- (c) the yearly revenue loss to the Government on each of these three schemes separately?

ANSWER

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

(a) & (b) The government has recently approved various measures/reforms to reduce financial stress in the Telecom Sector inter-alia including:

- i. Rationalization of Definition of Adjusted Gross Revenue.
- ii. Moratorium/Deferment of up to four years in annual payments of dues arising out of the AGR judgment and spectrum purchased in past auctions.
- iii. Option to the TSPs to pay the interest amount arising due to the said deferment of payment by way of equity.
- iv. Rationalization of Interest rates and removal of Penalties for delayed payments of License Fee (LF)/Spectrum Usage Charge (SUC).
- v. Reduction in BG requirements to 20% of the stipulated amount against License Fee (LF) and other similar Levies.
- vi. Removal of levy of Spectrum Usage Charges (SUC) on the spectrum to be acquired in future auctions.
- vii. Removal of requirement for submitting a Financial Bank Guarantee (FBG) to securitize the annual deferred spectrum installments in future.
- viii. Increasing the validity period of spectrum acquisition in future auctions from 20 to 30 years.

(c) The fact of removal of Spectrum Usage Charge (SUC) will be known to all the bidders who will factor in the same and bid accordingly in Spectrum Auction. Hence there is no revenue loss to the Government. The proposal of Moratorium for up to four years on deferred annual spectrum installment is revenue neutral since Net Present Value (NPV) will be protected.
