

② Success of 5G auctions proves that the govt of India has learnt the lessons from its earlier flaws?

Introduction - 5G - 5<sup>th</sup> generation is a global wireless network after generations of 1G, 2G, 3G & 4G. The high band spectrum of this 5G is as high as 20 Gbps.

5G Auction - \* The GoI & Trai sets the reserve price for spectrum auctions.  
\* govt has learnt from near Vodafone - Idea bankruptcy that any issues in telecom sector could have a cascading effect.

\* The recent measures taken by govt in 5G spectrum auctions has shown that if policies are realistic industry would respond favourably.

GoI's beneficial measures -

① GoI have provided moratorium of four-years to the operators

to pay their <sup>AR</sup> dues in the past auctions, which came from 2019 ruling of SC.

(2) Additionally, moratorium <sup>running</sup> into equal no. of years on the payment of ~~set~~ installment for spectrum bought in past auctions.

~~The first step brings cash relief flow to operators & second~~

(3) The second measure was, govt decided not to levy spectrum usage charge in future auctions.

(4) The 1<sup>st</sup> measure brings cash flow relief to operators & 2<sup>nd</sup> reduces the operator's expense.

(5) In this auction 71% of total spectrum sold [40% sold in 2016 & 2021]. This shows that govt aims to bring balance b/w ~~cost operator~~ consumer, industry & exchequer.

## Way Forward

\* Though this measures benefit people effectively, govt can further take steps like reducing license fee - 8% of AGR.

\* This can be made by abolishing the Universal service obligation duty of [5%].

\* Also govt should inform about the reserve price maintained for future auction which enables operators to plan for their future purchases.

## Conclusion -

The 5G technology has immense potential in achieving high economic growth of our Country, with (Govt - operators) Co-operation.