

The success of the 5G auction proves that the goI has learnt the lessons from its earlier failure. Discuss.

Recent 5G spectrum auction is successful both in terms of value, it sold (₹1.5 trillion plus) and quality of band (7% out of 700MHz).

It is noted that previous two attempts to sold spectrum 2016 & 2021 are not much success

Change in government policies & attitude is the reason

- 1] Government relief packages for telcos in 2021 provide cash flow to industry
- 2] Four year moratorium to the operators on paying ACR dues
- 3] No to levy spectrum usage charge on Airwaves bought in future auctions

- 4] TRAI's measure to lower the reserve price by around 39% across bands
- 5] changed methodology of arriving at base price without using past auction benchmarks.

Earlier govt saw spectrum auctions as revenue generators machine however less interest from industry made govt policy to balance between interest of exchequer, industry & consumer

way forward

Reducing licence fee from current 8% of AGR and abolishing 5% universal service obligation levy will certainly bring more players on board & revolutionise 5G technology in near future