

Do you think that relief cum reform package of the central government is enough for the stressed telecom sector? Analyse (2000 words)

\* Government has brought 9 structural reforms & 5 procedural reforms to the stressed telecom sector.

\* The 4 year moratorium gives to the telecom industries gives time to the already loss or stagnant facing industries like Bharati & Airtel.

\* As the <sup>AGR</sup> liabilities increases exceeded 1.68 Lakh crore.

\* But one has to keep in mind that these telecom sector had to pay the yearly interest later instead of monthly compounded interest.

\* It also brings about the usage of spectrum or air waves for 30 years instead of 20 years.

\* It states no additional costs for spectrum buying in future.

- \* It encourages Spectrum sharing & distribution
- \* The adjusted Gross Revenue excludes the non-telecom sectors.
- \* When considered from 2010-19 there has been a fall from 10 service sectors to 2 service sectors namely Vodafone & Airtel indicating Duopoly & one public telecom sector
- \* Even these sectors should a stagnant growth leading to rise of 'Jio' with lower tariff rates indicating the fear of Monopoly of the players in the industry
- \* Airtel started to show a green trend in growth after reducing its tariff which is much lower than Jio even it has to catch up its place.
- \* Jio has increased the <sup>average</sup> tariff per <sup>customer</sup> ~~customer~~ than before as it had already attracted the customers.
- \*\* The best stand would be by appreciating the relief cum reforms of excluding AGN's non telecom



from AGR's & 1 year moratorium  
by giving enough time for the  
company to boost up & pay up  
the interests later than suffering  
with stagnant growth. It can  
lead to reviving of new comers & efficient  
Spectrum usage & ~~dis~~ sharing.