MINISTRY OF COMMUNICATIONS

(Department of Telecommunications)

NOTIFICATION

New Delhi, the 28th November, 2025

G.S.R. 874(E).—The following draft rules, which the Central Government proposes to make in exercise of the powers conferred by sub-section (2) of section 8 and clause (m) of sub-section (2) of section 56 of the Telecommunications Act, 2023 (44 of 2023), are hereby published for the information of all persons likely to be affected thereby and notice is hereby given that the said draft rules shall be taken into consideration after expiry of a period of thirty days from the date on which copies of this notification as published in the Official Gazette, are made available to public;

Objections or suggestions, if any, may be addressed to the Joint Secretary (Telecom), Department of Telecommunications, Ministry of Communications, Government of India, Sanchar Bhawan, 20, Ashoka Road, New Delhi-110001;

The objections or suggestions which may be received from any person with respect to said draft rules before the expiry of aforesaid period shall be taken into consideration by the Central Government.

CHAPTER 1: PRELIMINARY

1. Short title, commencement and savings

(1) These rules may be called the Telecommunications (Sharing, Trading, and Leasing of Spectrum) Rules, 2025.

(2) They shall come into force on the date of their publication in the Official Gazette.

(3) These rules shall be in supersession of all existing guidelines, office memoranda, or office orders on the subject of sharing, trading, and leasing of right to use access spectrum issued prior to the date of coming into force of these rules, but shall not override the terms and conditions of existing assignments under those guidelines or office memoranda or office orders, till the date of expiry of such assignment in accordance with sub-section (8) or sub-section (9) of section 4 of the Telecommunications Act, 2023.

2. Definitions

(1) In these rules, unless the context otherwise requires:

(a) "Act" means the Telecommunications Act, 2023 (44 of 2023);

(b) "Adjusted Gross Revenue" or "AGR" shall have the same meaning as provided to the term under [clause (c) of sub-rule (1) of rule 26] of the Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025;

(c) "authorisation" means, for the purposes of these rules, both (i) the authorisation granted under the Act, and (ii) license for telecommunication services granted under the Indian Telegraph Act, 1885, as the case may be;

(d) "authorised entity" means, for the purposes of these rules, both (i) an entity granted an authorisation under the Act, and (ii) a licensee granted a license for telecommunication services granted under the Indian Telegraph Act, 1885, as the case may be;

(e) "access spectrum" shall have the same meaning as provided to the term under [clause (b) of sub-rule (1) of rule 2] of the Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025;

(f) "base station" shall have the same meaning as provided to the term under [clause (f) of sub-rule (1) of rule 2] of the Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025;

(g) "captive non-public network" or "CNPN" shall have the same meaning as provided to the term under [clause (i) of sub-rule (1) of rule 2] of the Telecommunications (Authorisation for Captive Telecommunication Services) Rules, 2025;

(h) "commencement date" means the date specified in the letter of grant of permission in respect of sharing, trading or leasing of right to use access spectrum, under these rules;

(i) "Gross Revenue" shall have the same meaning as provided to the term under [clause (a) of sub-rule (1) of rule 26] of the Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025;

(j) "lessor" means an authorised entity that obtains permission to lease right to use access spectrum under clause (a) of sub-rule (5) of rule 12;

(k) "lessee" means an authorised entity that obtains permission for right to use access spectrum under clause (a) of sub-rule (5) of rule 12;

(l) "market price" means the reserve price or the price for the right to use access spectrum, determined through the auction held pursuant to an NIA immediately prior to the commencement date, whichever is higher.

Provided that where such auction was held more than twelve months prior to the commencement date, such reserve price or price determined under the auction, as the case may be, shall be indexed using the applicable one year marginal cost of funds based lending rate (MCLR) of State Bank of India, as revised from time to time.

(m) "NIA" means the notice inviting applications published by the Department of Telecommunications, Ministry of Communications, Government of India for auction of spectrum, conducted from time to time;

(n) "portal" means the portal which may be notified by the Central Government under rule 17;

(o) "radio access network" shall have the same meaning as provided to the term under clause (ll) of sub-rule (1) of rule 2 of the Telecommunications (Authorisation for Telecommunication Network) Rules, 2025;

(p) "SACFA" means Standing Advisory Committee for Frequency Allocation under the Department of Telecommunications, Ministry of Communications, Government of India;

(q) "service area" shall have the same meaning as provided to the term under clause (aaaa) of sub-rule (1) of rule 2 of the Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025;

(r) "spectrum charges" means the dues relating to charges for use of spectrum under the Act and relevant rules, including but not limited to:

(i) auction determined price pursuant to an NIA; and

(ii) spectrum usage charges.

(s) "spectrum holding" means the spectrum available with an authorised entity in the respective spectrum bands in a service area, whether obtained through auction, administrative process, or through sharing, trading, or leasing under these rules;

(t) "TRAI" means Telecom Regulatory Authority of India constituted under the Telecom Regulatory Authority of India Act, 1997 (24 of 1997);

(u) "transaction amount" means such mutually agreed amount paid in respect of sharing, trading, or leasing, of right to use access spectrum, as the case may be;

(v) "transferee" means an authorised entity that obtains permission to acquire right to use of access spectrum under clause (a) of sub-rule (5) of rule 8;

(w) "transferor" means an authorised entity that obtains permission to transfer right to use its access spectrum to the transferee, under clause (a) of sub-rule (5) of rule 8; and

(x) "user terminal" shall have the same meaning as provided to the term under [clause (jjjj) of sub-rule (1) of rule 2] of the Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025.

(2) The words and expressions used in these rules and not defined herein but defined in the Act, shall have the same meaning respectively assigned to them in the Act.

CHAPTER 2: SHARING OF RIGHT TO USE ACCESS SPECTRUM

3. Sharing of right to use access spectrum

(1) Sharing of right to use access spectrum may be permitted in a service area under these rules:

(a) in respect of authorised entities holding same category of authorisation in the same service area;

(b) within each spectrum band category specified below:

(i) Category-1: Sub-1 GHz bands;

(ii) Category-2: Mid bands (Frequency Division Duplex);

(iii) Category-3: Mid bands (Time Division Duplex); and

(iv) Category-4: High Bands.

(c) in respect of access spectrum obtained through:

(i) auction held pursuant to an NIA, subject to the condition that an authorised entity holding right to use access spectrum auctioned pursuant to the NIA published on the 30th of January, 2013 in the 800 MHz spectrum band shall be eligible upon payment of the difference in market price, and the price of access spectrum auctioned pursuant to the 2013 NIA, pro-rated for the remaining time period of right to use such spectrum, from the commencement date;

(ii) trading;

(iii) assignment through administrative process, that has been subsequently liberalised under applicable law; or

(iv) assignment through administrative process, subject to payment of market price.

(2) The Central Government may, from time to time, specify on the portal, the range of frequencies within each spectrum band category under clause (b) of sub-rule (1), in respect of which sharing of right to use access spectrum may be permitted.

(3) An authorised entity seeking to undertake sharing of right to use access spectrum under these rules, should have held eighty per cent of its spectrum holding in the spectrum band proposed to be shared in a service area, for a period of two years from the date of obtaining such spectrum.

4. Application and grant of permission for sharing

(1) Authorised entities seeking to share right to use access spectrum shall:

(a) enter into an agreement for sharing with each other; and

(b) submit a joint application to the Central Government, at least forty-five days prior to the proposed commencement date, in the form and manner, and along with such documents and information, including a copy of the agreement for sharing, as specified on the portal:

Provided that the duration of the agreement under clause (a) shall not exceed the shorter of the duration of the authorisation or of assignment of either of the authorised entities entering into such agreement.

(2) An application under sub-rule (1) shall be accompanied by a non-refundable processing fee of 0.5 per cent of the market price of the entire spectrum holding, of the entity sharing the right to use access spectrum, in a spectrum band in a service area in which access spectrum is sought to be shared, prorated for the period of such sharing, and shall be payable by the recipient of the right to use access spectrum being shared, in such manner as may be specified on the portal:

Provided that, where an authorised entity has not obtained any right to use access spectrum pursuant to an agreement for sharing, no processing fee shall be payable by such entity.

Illustrations:

1. X, an authorised entity holding right to use 10 MHz access spectrum in the 700 MHz spectrum band, and seeking permission to share such right, enters into an agreement with Y, an authorised entity holding right to use 5 MHz access spectrum in the 900 MHz spectrum band, and seeking permission to share such right, for a period of three years. The spectrum sharing fee:

a. In respect of X, shall be 0.5% of the prorated market price of 5 MHz spectrum for three years in the 900 MHz spectrum band; and

b. In respect of Y, shall be 0.5% of the prorated market price of 10 MHz spectrum for three years in the 700 MHz spectrum band.

2. A, an authorised entity holding right to use 10 MHz access spectrum in the 700 MHz spectrum band, and seeking permission to share such right, enters into an agreement for a period of two years with B, an authorised entity holding right to use 20 MHz access spectrum in the sub-1 GHz spectrum band, but who is not offering any spectrum for sharing. The spectrum sharing fee:

a. In respect of A, shall be nil; and

b. In respect of B, shall be 0.5% of the prorated market price of 10 MHz spectrum for two years in the 700 MHz spectrum band.

(3) For the purposes of computation of fees under sub-rule (2), where the duration of the agreement under clause (a) of sub-rule (1) is:

(a) less than one year, it shall be considered as a complete year; and

(b) more than one year, it shall be pro-rated for the period of sharing.

(4) The Central Government, may on an assessment of the application under clause (b) to sub-rule (1), seek clarifications, if any, and the applicant entities shall submit their responses within the timelines specified on the portal.

(5) The Central Government shall endeavour, to the extent reasonably practicable, to decide on an application received under clause (b) of sub-rule (1), within a period of forty-five days, and:

(a) subject to the conditions set forth in rule 5, grant the permission for sharing; or

(b) reject such application, along with reasons to be recorded in writing.

5. Conditions applicable to grant of permission for sharing

The Central Government shall consider the following conditions prior to grant of permission for sharing of right to use access spectrum:

(a) An authorised entity shall only enter into one agreement for sharing of right to use access spectrum within each category of spectrum band as specified under sub-rule (1) of rule 3.

(b) There shall be, at all times, at least two authorised entities with independent radio access networks in each category of spectrum band.

(c) Sharing of right to use access spectrum under these rules, shall not exceed the spectrum cap as specified in the NIA published immediately prior to the commencement date for the relevant spectrum band.

(d) For the purposes of ensuring adherence with the spectrum cap specified in clause (c), the entire spectrum holding of each of the authorised entities involved in the sharing of right to use access spectrum shall be accounted for in respect of each such entity.

(e) During the period when the access spectrum is being auctioned in a spectrum band pursuant to an NIA, beginning from the date of issue of such NIA, up till the date of publication of the provisional results of such auction, no application under sub-rule (1) of rule 4 shall be accepted and no permission under sub-rule (5) of rule 4 shall be granted.

6. Obligations of authorised entities holding permission for sharing

(1) The following conditions shall apply to each authorised entity holding the relevant permission for sharing of right to use access spectrum in a spectrum band.

(2) An authorised entity which has been granted permission for sharing of right to use access spectrum shall be allowed to participate in an auction under one or more NIAs held subsequently, subject to submitting an undertaking to the Central Government that, if it is successful under the relevant auction and obtains spectrum, thereby exceeding the spectrum cap, it shall reduce its spectrum holding to the applicable spectrum cap, within a period of one year from the date of assignment of spectrum.

(3) Where any of the authorised entities who have been granted permission for sharing of right to use access spectrum, obtains right to use additional access spectrum, whether through a subsequent NIA or any other process, within the spectrum bands being shared, the following conditions shall apply:

(a) the processing fee as specified under sub-rule (2) of rule 4, shall be payable in respect of such additional spectrum; and

(b) where the acquisition of additional spectrum results in exceeding the spectrum cap, the authorised entity shall submit an undertaking to the Central Government that it shall reduce its spectrum holding to meet the applicable spectrum cap, within a period of one year from the date of obtaining such additional spectrum.

***Explanation*:** For the purpose of determining eligibility to participate in an auction, the access spectrum shared by an authorised entity, pursuant to an agreement under these rules, shall be excluded from the calculation of the other authorised entity's spectrum holding.

(4) The transaction amount received by an authorised entity on account of sharing of right to use access spectrum under these rules, shall form part of the AGR of such entity, for the purpose of levy of authorisation fee and charges relating to use of spectrum under the Act.

(5) Each authorised entity shall ensure fulfilment of all its obligations under the relevant rules for authorisation or assignment, as the case may be.

(6) Each authorised entity shall submit to TRAI, the details in respect of sharing of right to use access spectrum under these rules, in the form and manner as specified on the portal, within a period of fifteen days of the commencement date.

(7) In case the authorisation granted is revoked for any reason, or has expired, the right to use the spectrum shall stand withdrawn and:

(a) the access spectrum obtained through sharing shall be returned to the authorised entity sharing such spectrum, on revocation or expiry of the authorisation of the authorised entity to whom such spectrum is shared; or

(b) the access spectrum shared by the authorised entity shall be returned to the Central Government, on revocation or expiry of the authorisation of such authorised entity.

(8) In the event that the agreement for sharing of right to use access spectrum is terminated, the relevant authorised entities shall inform the Central Government and TRAI of such termination within fifteen days, in the form and manner and along with such documents, as may be specified on the portal.

CHAPTER 3: TRADING OF RIGHT TO USE ACCESS SPECTRUM

7. Trading of right to use access spectrum

(1) The Central Government may, from time to time, specify on the portal, the range of frequencies within the access spectrum, in respect of which trading of right to use access spectrum may be permitted under these rules.

(2) Trading of spectrum shall be permitted under these rules only in respect of authorised entities holding the same category of authorisation in same service area.

(3) The rights and obligations of the transferor, including those under the relevant NIA pursuant to which the transferor had obtained spectrum with respect to any service area, shall be transferred in its entirety to the transferee upon the grant of permission under clause (a) of sub-rule (5) of rule 8, and the transferee shall have all rights and obligations over the spectrum in such service area, including with regard to any subsequent removal of restrictions of use of spectrum in any part of the service area.

(4) Trading shall be limited to the access spectrum obtained through:

(a) auction held pursuant to an NIA, subject to the condition that an authorised entity holding right to use access spectrum auctioned pursuant to the NIA published on the 30th of January, 2013 in the 800 MHz spectrum band shall be eligible upon payment of the difference in market price, and the price of access spectrum auctioned pursuant

to the 2013 NIA, pro-rated for the remaining time period of right to use such spectrum, from the commencement date;

(b) trading;

(c) assignment through administrative process, that has been subsequently liberalised under applicable law; or

(d) assignment through administrative process, subject to payment of market price.

(5) An authorised entity seeking to undertake trading of right to use access spectrum under these rules, should have held the spectrum sought to be traded, for a period of two years from the date of obtaining such spectrum.

8. Application and grant of permission to trade right to use access spectrum

(1) The transferor and the transferee seeking to trade right to use access spectrum shall:

(a) enter into an agreement for such trading; and

(b) submit a joint application to the Central Government, at least forty-five days prior to the proposed commencement date, in the form and manner, and along with such documents and information, including a copy of the agreement for trading, as specified on the portal:

Provided that an agreement under clause (a) shall be consistent with the terms and conditions, including in respect of duration of assignment of right to use access spectrum, as that specified in the NIA, pursuant to which such spectrum was obtained by the transferor from the Central Government.

(2) An application under sub-rule (1) shall be accompanied by a non-refundable processing fee of one percent of the transaction amount, or one per cent of the market price of the access spectrum sought to be traded, whichever is higher, and shall be payable by the transferee, in such manner as may be specified on the portal.

Provided that the processing fee in respect of any residual spectrum sought to be traded under the proviso to clause (a) of sub-rule (1) of rule 9, shall be on a pro-rata basis.

(3) The Central Government may, on an assessment of the application under clause (b) to sub-rule (1), seek clarifications, if any, and the applicant entities shall submit their responses within the timelines specified on the portal.

(4) The Central Government shall endeavour, to the extent reasonably practicable, to decide on an application received under clause (b) to sub-rule (1), within a period of forty-five days, and:

(a) subject to the conditions set forth in rule 9, grant the permission for trading; or

(b) reject such application, along with reasons to be recorded in writing.

9. Conditions applicable to grant of permission for trading

(1) The Central Government shall consider the following conditions prior to grant of permission for trading of right to use access spectrum:

(a) Trading of right to use access spectrum, in a spectrum band, shall only be permissible in multiples of the block size specified in the NIA published immediately prior to the commencement date for that spectrum band:

Provided however that trading of right to use access spectrum may be permitted where a transferor holding any residual access spectrum, which is less than the block size specified in such NIA, seeks to trade such residual spectrum.

(b) Trading of right to use access spectrum, in a spectrum band, shall not be permitted during the period when the access spectrum is being auctioned in that spectrum band pursuant to an NIA, beginning from the date of issue of such NIA, up till the date of publication of the provisional results of such auction.

(c) Trading of right to use access spectrum under these rules, shall not exceed the spectrum cap as specified in the NIA published immediately prior to the commencement date for the relevant spectrum band.

(d) For the purposes of ensuring adherence with the spectrum cap specified in clause (c), the access spectrum obtained through trading shall be accounted for in respect of the transferee.

(2) In case a transferor has obtained right to use access spectrum through auction pursuant to an NIA, in a spectrum band, and opted for the deferred payment scheme if so provided in such NIA, the following conditions shall apply:

(a) where the transferor sells its entire spectrum holding in a spectrum band, it shall ensure payment of spectrum charges in respect of such spectrum holding, till the commencement date, and thereafter, the transferee shall be responsible for the balance payments, if any; and

(b) where the transferor sells a part of its spectrum holding in a spectrum band, it shall ensure payment of spectrum charges in respect of right to use its access spectrum that is traded, till the commencement date, and thereafter, both the transferee and the transferor shall be responsible for the balance payments, if any, prorated for the quantum of spectrum held by each of them subsequent to trading of right to use access spectrum:

(3) For the purposes of sub-rule (2), the rate of charges relating to use of spectrum under the Act, in respect of the access spectrum that is traded, shall be the same as the charges specified in an NIA published immediately prior to the commencement date.

10. Obligations of transferor and transferee holding permission for trading

(1) The following conditions shall apply to the transferor and transferee holding the relevant permission for trading of right to use access spectrum in a spectrum band.

(2) Where any due relating to charges for use of spectrum is found recoverable after the commencement date, the Central Government reserves the right to recover such due based on such determination, from the transferor or transferee, either jointly or severally.

(3) In respect of the roll out obligations, where the transferee has purchased:

(a) the entire spectrum holding of the transferor in a spectrum band, then, it shall fulfil the associated roll-out obligations within the remaining time period left to complete such roll-out, or within two years from the commencement date, whichever is later; and

(b) a part of the spectrum holding of the transferor in a spectrum band, then, both the transferee and the transferor shall be responsible for the roll-out obligations applicable, in accordance with the relevant NIA for that spectrum band.

(4) The transaction amount received by the transferor on account of trading of right to use access spectrum, shall form part of the AGR of such transferor, for the purpose of levy of authorisation fee and charges relating to use of spectrum under the Act.

(5) The terms and conditions associated with the right to use access spectrum being traded, as specified in the rules applicable to the assignment of such spectrum, shall remain in full force and effect even after the trading of such spectrum, except to the extent expressly modified or exempted under these rules.

CHAPTER 4: LEASING OF RIGHT TO USE ACCESS SPECTRUM

11. Eligibility in respect of leasing of right to use access spectrum

(1) The Central Government may, from time to time, specify on the portal, the range of frequencies within the access spectrum, in respect of which leasing of right to use access spectrum may be permitted under these rules.

(2) An authorised entity who has surrendered, a portion or the entirety, of its right to use access spectrum, in a service area, shall not be eligible to obtain right to use access spectrum in the same service area, through leasing under these rules, for a period of two years from the date of such surrender.

(3) Leasing of right to use access spectrum may be permitted in respect of access spectrum held in the same service area, or in parts thereof.

(4) Leasing shall be limited to right to use access spectrum obtained through:

(a) auction held pursuant to an NIA, subject to the condition that an authorised entity holding right to use access spectrum auctioned pursuant to the NIA published on the 30th of January, 2013 in the 800 MHz spectrum band shall be eligible upon payment of the difference in market price, and the price of access spectrum auctioned pursuant

to the 2013 NIA, pro-rated for the remaining time period of right to use such spectrum, from the commencement date;

(b) trading;

(c) assignment through administrative process, that has been subsequently liberalised under applicable law; or

(d) assignment through administrative process, subject to payment of market price.

(5) An authorised entity seeking to undertake leasing of right to use access spectrum under these rules, should have held the spectrum sought to be leased, for a period of two years from the date of obtaining such spectrum.

Provided that sub-rule (5) shall not be applicable when right to use access spectrum is being leased to an authorised entity having CNPN authorisation.

12. Application and grant of permission to lease access spectrum

(1) The lessor and lessee seeking to lease right to use access spectrum shall:

(a) enter into an agreement for such leasing; and

(b) submit a joint application to the Central Government, at least forty-five days prior to the proposed commencement date, in the form and manner, and along with such documents and information, including a copy of the agreement for leasing, as specified on the portal:

(2) In circumstances where the lessee is an entity having authorisation for CNPN, clause (b) of sub-rule (1) shall not apply, and the lessor shall, within [fifteen] days of entering into the lease agreement, submit details of the same to the Central Government and TRAI, in the form and manner, and along with such documents and information, including a copy of the lease agreement, as specified on the portal.

(3) The lease agreement under clause (a) of sub-rule (1), shall:

(a) be for a duration not exceeding the duration of the authorisation or of assignment, whichever is earlier; and

(b) be consistent with the terms and conditions relating to use of technology in respect of the right to use access spectrum, as that specified in the relevant NIA, pursuant to which such spectrum was obtained by the lessor from the Central Government.

(4) An application under clause (b) of sub-rule (1) shall be accompanied by a non-refundable processing fee payable by the lessee, of an amount determined on the basis of the duration of the lease, as specified below:

Sl. No.	Duration of lease	Applicable processing fee
(1)	More than three months	One per cent of the transaction amount, or one per cent of the market price of the access spectrum sought to be leased, pro-rated in the manner specified in the NIA

Sl. No.	Duration of lease	Applicable processing fee
		published immediately prior to the commencement date for that spectrum band, whichever is higher.
(2)	Three months or less	Rupees one lakh for each geographical area, payable in respect of each transaction.
(3)	Three months or less, but extended beyond such period prior to expiry of the initial three months	The processing fee as specified in respect of entry (1) above, subject to a minimum fee of rupees one lakh for each geographical area, payable in respect of each transaction.

(5) The Central Government may, on an assessment of the application under clause (b) of sub-rule (1), seek clarifications, if any, and the applicant entities shall submit their responses within the timelines specified on the portal.

(6) The Central Government shall endeavour, to the extent reasonably practicable, to decide on an application received under clause (b) to sub-rule (1), within a period of forty-five days, and:

(a) subject to the conditions set forth in rule 13, grant the permission for the lease; or

(b) reject the application, along with reasons to be recorded in writing.

13. Conditions applicable to grant of permission for leasing

The Central Government shall consider the following conditions prior to grant of permission for leasing of right to use access spectrum:

(a) Leasing of right to use access spectrum under these rules shall not be for more than fifty percent of the access spectrum held by the lessor.

(b) Leasing of right to use access spectrum, in a spectrum band, shall only be permissible in multiples of the block size specified in the NIA published immediately prior to the commencement date for that spectrum band.

(c) Leasing of right to use access spectrum under these rules, shall not exceed the spectrum cap for lessee as specified in the NIA published immediately prior to the commencement date for the relevant spectrum band.

Provided that no spectrum cap shall be applicable on entities having an authorisation for CNPN and undertaking leasing of right to use access spectrum under these rules.

(d) For the purposes of ensuring adherence with the spectrum cap specified in clause (c), the quantum of access spectrum leased by the lessor to the lessee shall be accounted for in respect of both the lessor and the lessee for that service area:

Provided that if spectrum is leased in more than one geographical area within a service area in the same spectrum band with the same lessee, the highest quantum of spectrum leased in a geographical area, shall be taken into account while calculating the spectrum holding of the lessee for the entire service area.

14. Obligations of lessor and lessee holding permission for leasing

(1) The following conditions shall apply to the lessor and lessee holding relevant permission for leasing of right to use access spectrum in a spectrum band.

(2) On entering into an agreement for leasing of spectrum, and prior to the commencement date, the lessee shall obtain SACFA clearance, as applicable.

(3) A lessee shall be allowed to participate in an auction under one or more NIAs held subsequently, subject to submitting an undertaking to the Central Government that, if it is successful under the relevant auction and obtains spectrum, thereby exceeding the spectrum cap, it shall reduce its spectrum holding to meet the applicable spectrum cap, within a period of one year from the date of assignment of spectrum.

Explanation: For the purpose of determining eligibility to participate in an auction, the access spectrum leased by an authorised entity, pursuant to an agreement under these rules, shall be excluded from the calculation of the other authorised entity's spectrum holding.

(4) The transaction amount received by the lessor, on account of leasing of right to use access spectrum, shall form part of the AGR of such lessor, for the purpose of levy of authorisation fee and charges relating to use of spectrum under the Act.

(5) The lessor and lessee shall ensure fulfilment of their respective obligations under the relevant rules for authorisation or assignment, as the case may be.

Explanation: All obligations relating to roll-out shall remain with the lessor even after the leasing of right to use access spectrum under these rules.

(6) The lessor shall continue to be responsible for the payment of spectrum charges relating to the right to use access spectrum that is leased.

(7) A lessee who has obtained right to use access spectrum through leasing shall not sub-lease the same in that spectrum band, to any authorised entity within the same service area.

(8) The lessor and lessee shall submit to TRAI, the details in respect such leasing, in the form and manner as specified on the portal, within a period of fifteen days of the commencement date.

(9) In case the authorisation granted is revoked for any reason, or has expired, the right to use the access spectrum shall stand withdrawn and:

(a) the access spectrum obtained through leasing shall be returned to the lessor, on revocation or expiry of the authorisation of the lessee; or

(b) the access spectrum leased by the lessor to the lessee shall be returned to the Central Government, on revocation or expiry of the authorisation of the lessor.

(10) In the event that the agreement for leasing of right to use access spectrum is terminated, the lessor and lessee shall inform the Central Government and TRAI of such termination within fifteen days, in the form and manner and along with such documents, as may be specified on the portal.

CHAPTER 5: MISCELLANEOUS

15. Recovery of dues

(1) In the event of non-payment under these rules, of any dues relating to charges for use of spectrum under the Act, due to a judicial order injuncting such payment, the authorised entity liable to make such payment shall:

(a) submit an undertaking to make the payment together with all interest thereon, subject to the outcome of the pending court proceedings; and

(b) provide and maintain an irrevocable on-demand bank guarantee in the form and manner as specified on the portal, for an amount equivalent to the total pending dues together with interest calculated for a period of three years from the commencement date, at the rate stipulated in the relevant authorisation or assignment for late payment thereon:

Provided that the said bank guarantee shall be maintained for the period that the relevant court proceedings remain pending and shall be encashed to recover the relevant pending dues if the outcome of the pending proceedings is in favour of the Central Government;

Provided further that where the relevant judicial order continues for more than three years from the time of submission of the bank guarantee under this rule, then the authorised entity shall, six months prior to the expiry of the three year period used for calculation of the amount of the bank guarantee, submit the bank guarantee for an aggregate amount increased by an amount equal to interest for additional period of next three years.

(2) Without prejudice to other modes of recovery, any amount due to the Central Government by an authorised entity under these rules, if not paid, shall be recovered as an arrear of land revenue.

16. Compliance obligations

(1) An authorised entity shall comply with notifications, orders, directions, or guidelines, not inconsistent with the Act or these rules, issued by the Central Government for the purpose of giving effect to these rules.

(2) Any non-compliance of these rules, including the terms and conditions for sharing, trading, or leasing, as specified in the grant of permission by the Central Government, shall be considered as a breach of terms and conditions of the assignment and shall be subject to the provisions of the Telecommunications (Adjudication and Appeal) Rules, 2025.

17. Digital implementation of these rules

The Central Government, in furtherance of section 53 of the Act, may notify one or more portals for the digital implementation of these rules, including publication of relevant forms, submission of applications, and grant of relevant permissions specified under these rules.

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DEVENDRA KUMAR RAI, Jt. Secy.

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