

## **Index of Orders Issued from DoT HQ (June, 2023 to Sept, 2023.)**

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Government of India  
Ministry of Communications  
Department of Telecommunications  
Wireless Planning and Coordination Wing

**Sub: Rate of SUC applied in respect of BWA spectrum traded from M/s. Aircel Ltd. by M/s Bharti Airtel – Reg**

Sir,

I am directed to refer your U.O. No. 1033/18/2016-WR dated 25.05.2023 on the subject matter and to state the SUC order dated 05-02-2015 is applicable only for 800, 900, 1800 and 2100 MHz bands; and 2300 MHz band was not part of this order.

2. The auction of 2300 MHz band was held in year 2010 and after that in year 2016 onwards. Hence the latest available SUC rate for the BWA spectrum (2300 MHz band) till Auction held in year 2016 shall be 1% as mentioned in NIA dated 25-02-2010.

3. As the trading was taken on record on 17-06-2016 i.e. before the date of SUC order dated 12-08-2016 issued for auction of spectrum held in year 2016, the SUC rate for the spectrum traded in 2300 MHz band from M/s Aircel to M/s Airtel shall be 1% as mentioned in NIA dated 25-02-2010.

  
(Avneesh Kumar)  
AWA (IMT)

To,

DDG (WPF), DoT, Sanchar Bhawan, New Delhi - 110 001  
U.O. No. L-14001/05/2022-IMT dated 08-06-2023

I/3108403/2023

**Government of India**  
**Ministry of Communications**  
**Department of Telecommunications**  
**Sanchar Bhawan, 20 Ashoka Road, New Delhi- 110 001**



**F. No. 19-2/2022/LFA/OutstandingDues-Pt1**

**Dated 16.06.2023**

To,  
Addl. CGCA  
O/o CGCA

**Subject: LF and SUC (for Comm. VSAT license only) dues – Outstanding dues of Non-Access Licensees**

It is to bring to your kind attention that in last financial year, Dues of Decentralized licences has been collated by your kind office with interest till 31.3.2022. Thereafter, direction for assessment of UL ISP licensee indicating dues in part A and Part B and other clarifications have been issued by LFP wing.

In view of above, the said dues need to be updated. In view of above, the comprehensive **outstanding dues** of non- access licensees (which are assessed by CCA offices) i.e., LF dues for non-access licensees and SUC for Commercial VSAT licensees, including dues of operators under liquidation-related proceedings or expired/cancelled/terminated licenses may be collated from CCAs with interest till 31.3.2023. The data is to be provided only till FYs for which assessment has been completed by CCA offices.

The format for data collection(separate sheet for part A and part B dues) is given in Annexure. Certain checks has been mentioned in the sheet in order to arrive at the correct data. Based on the data collated, the final output may be given to this office.

While obtaining data from CCAs, a certificate regarding the correctness and exhaustiveness of the data may be taken from the respective head of the offices mandatorily. It may be ensured that there is uniformity in the fields of CCA, LSA/Circle and License. Accordingly, a sample master of license type has been provided in Annexure. Further, CCA should also mention in the certificate that same data is reflecting in Assessment entry Utility's Consolidated Outstanding report when interest is updated.

It is also to emphasize that this exercise has to be completed in a mission-mode and time-bound manner with the aim to complete it by 31<sup>st</sup> July 2023.

Signed by

Ajay Kumar<sup>DDG</sup> (LFA)

Date: 16-06-2023 13:19:23

Encl- As above

Copy to:

1. Member (F), DOT HQ
2. CGCA, O/o CGCA
3. Advisor (F), DOT HQ
4. DDG(WPF), DOT HQ



**Government of India  
Ministry of Communications  
Department of Telecommunications  
Office of Controller General of Communication Accounts  
NICF Campus, Ghitorni, New Delhi – 110047**

F.No. 50-4/2023-Clarification & rulings/CCA Haryana

Dated: 22.06.2023

To

CCA Haryana  
Doorsanchar Bhawan  
Ambala Cantt.-133 001



**Sub: Issue of guideline/clarification w.r.t. treatment of deductions claimed by UL-ISP licensee-reg.**

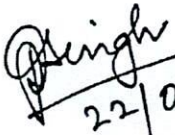
**Ref: 1. CCA/HR/LF/General Correspondence/ISPs/1346 Dated 02.03.2023**

With regards to the subject and letter under reference mentioned above, as per financial conditions of license agreement to arrive at the AGR figure the following components are to be deducted from ApGR:

1. Roaming revenue passed on to other eligible/entitled telecom service provider, and;
2. Goods and Service Tax (GST) paid to the Government if Applicable Gross Revenue (ApGR) had included as component of GST.

In view of above, it is requested to take necessary action as per above mentioned financial conditions of license agreement.

This issues with the approval of Competent Authority.

  
22/06/23  
Dy. CGCA (Revenue)

**File No:1000/11/2022-WR**  
**Government of India**  
**Ministry of Communications**  
**Department of Telecommunications**  
**(Wireless Planning Finance Division – WR Section)**

Dated: xx.06.2023

**OFFICE MEMORANDUM**

**Sub: Decentralization of Assessment of Spectrum Usage Charges to CCA offices & Assessment of SUC & Redressal of Grievances of TSPs – Reg.,**

This is in suppression of OM No.1000/11/2022-WR, dated 17.11.2022.

2. The Competent Authority has approved the amendment in Para-5 & 6 of the OM 1000-56/2004-WFD dated 06.02.2013 that may be read now as under:

"5. i) Assessment shall be done by the following officers till further orders:

a) Where the office is headed by Jt. CCA:

| Annual SUC dues | Assessing authority   |
|-----------------|-----------------------|
| Up to Rs 20 Cr  | Jt. CCA               |
| > Rs 20 Cr      | Pr. CCA of the region |

b) Where the office is headed by CCA:

| Annual SUC dues | Assessing authority   |
|-----------------|-----------------------|
| Up to Rs 100 Cr | CCA                   |
| > Rs 100 Cr     | Pr. CCA of the region |

c) Where the office is headed by Pr. CCA:

| Annual SUC dues | Assessing authority |
|-----------------|---------------------|
| Up to Rs 100 Cr | CCA                 |
| > Rs 100 Cr     | Pr. CCA             |

ii) In event of Annual SUC dues crossing the threshold at time of any revision, Assessing Authority will be as per revised dues.

iii) In case a licensee is aggrieved by the Assessed demands, the Appellate Authorities shall be as under:

a) Where the office is headed by Jt. CCA:

| Assessing authority   | Appellate authority   |
|-----------------------|-----------------------|
| Jt. CCA               | Pr. CCA of the region |
| Pr. CCA of the region | Advisor (F)           |

I/3109134/2023

-2-

b) Where the office is headed by CCA:

| Assessing authority  | Appellate authority   |
|----------------------|-----------------------|
| CCA                  | Pr. CCA of the region |
| Pr CCA of the region | Advisor (F)           |

c) Where the office is headed by Pr. CCA:

| Assessing authority | Appellate authority |
|---------------------|---------------------|
| CCA                 | Pr. CCA             |
| Pr. CCA             | Advisor (F)         |

6. Following are the time lines for completion of assessment of Spectrum Usage Charges (SUC):

**a) Provisional Assessment:** Provisional assessment shall be completed within 90 days of the receipt of Audited AGR from the Licensee to the concerned O/o Pr.CCA/CCA/Jt.CCA.

**b) Final Assessment:** Maximum timeline for completing final SUC assessment for any financial year (i.e., for the financial years not included in the AGR judgement) shall be within 30 days of the receipt of the finalized AGR from the LFA Wing, DoT. It may be ensured that final SUC assessment for any financial year is completed by 31<sup>st</sup> Mar of subsequent year. In event of any delay, WPF section may be intimated.

c) Any appeal submitted to respective appellate authority shall be disposed off within 90 days of its submission."

3. This OM shall be effective from date of issue of the OM and all provisional/final/ revised SUC assessments & appeals pending/made shall be governed with it.

Signed by Tanvika Singh  
Date: 21-06-2023 15:08:19  
Reason: Approved  
(Tanvika Singh)  
Director (WR)  
Ph:011-23036821

To  
All Pr. CCAs/CCAs.

Copy for information to:

1. PSO to Secretary (T)
2. PSO to Member (F)
3. PSO to Advisor (F)
4. PPS to CGCA
4. PPS to Addl. CGCA, O/o CGCA
5. The Sr. Jt. CGCA (Revenue), O/o CGCA
6. PPS to Wireless Advisor
7. DDG (LFA)/DDG (LFP)



**Government of India  
Department of Telecommunication  
Licensing Finance Policy Wing  
Sanchar Bhavan, Ashoka Road, New Delhi 110001**

**No: LFP-10/09/2022-LFP-II**

**Date: .06..2023**

To,

Jt. CGCA (Revenue)  
O/o CGCA. NICF Campus,  
Ghitorni,  
New Delhi-110030.



**Sub: Assessment of UL (VNO) Licensees - Reg**

1.Representations have been received from UL VNO licensees regarding non-availability of agreements with NSOs from whom they are availing services resulting in disallowance of deductions claimed by these licensees with respect to charges paid to NSOs.

2.Considering the difficulty faced by the VNO licensees and as a measure to promote ease of doing business the following has been decided :

(i) In case of non-availability of agreement with NSOs a certificate from the statutory auditor that deductions claimed towards charges paid to NSOs are in accordance with terms and conditions of license agreement may be accepted by Pr.CCA/CCA offices.

(ii). Pr.CCA/CCA offices also may be instructed to educate the NSOs and VNOs about relevant terms and conditions the license agreement during Telecom outreach meets to facilitate signing of agreements between NSOs and VNOs.

This issues with the approval of competent authority

Signed by  
Sathish Kumar R  
Date: 26-06-2023 13:41:08  
**Sathish Kumar R**  
**Director (LFP-II)**

**Copy To:  
DDG(LFA)**

✓

Government of India  
Ministry of Communication  
Department of Telecommunications  
Licensing Finance Policy Wing  
Sanchar Bhawan, 20 Ashoka Road, New Delhi-110001

No.12-75/2022-LFP/139807

Date: 28.06.2023

**Subject: Standard Operating Procedure (SOP) regarding realizing Government dues and handling Corporate Insolvency Resolution Process-reg**

The undersigned is directed to forward herewith the Standard Operating Procedure (SOP) regarding realizing Government dues and handling Corporate Insolvency Resolution Process for necessary compliance

This issues with the approval of Secretary(T).

*Shanti*  
28/6/23  
ADG(LFP)

Encl: As Above

To:

1. CGCA
2. DGT
3. Wireless Advisor
4. DG(NICF)
5. All Pr. CCAs/CCAs
6. All DDGs of Licensing Wings/DDG(LFA)/DDG(WPF)/DDG(Satellite)

Copy to:

1. PSO to Secretary(T)
2. PSO to Member(F)
3. PSO to Member(T)
4. Sr. PPS to Advisor(F)



✓

**Government of India  
Ministry of Communications  
Department of Telecommunication  
(Licensing Finance Policy Wing)  
Sanchar Bhavan, Ashoka Road, New Delhi 110001**

**Subject: SOP regarding realizing government dues and handling Corporate Insolvency Resolution Process (CIRP) cases-reg.**

It has been observed that there is an inordinate delay in filing claims by certain wings/field offices of DoT leading to these claims not being admitted and extinguished once the resolution plan is passed. To avoid such scenarios in future an SOP is formulated to ensure timebound filing of claims and follow up necessary actions as per the rules/regulations of Insolvency Bankruptcy Code (IBC) 2016.

**Standard Operation Procedure (SOP) for Insolvency cases**

**1. For Licensees whose assessment is done centrally**

**Step 1: Intimation about CIRP initiation**

- LFP wing will monitor all Licensees and will disseminate information about insolvency to the office of CGCA, DG(T) and other wings of DoT. Office of CGCA and DG(T) will communicate with Pr. CCAs/CCAs and LSAs respectively.
- LFP wing will obtain Company Specific Subscription on IBBI website via Corporate Identification Number (CIN) of the Company to get regular updates about initiation of insolvency and its status thereafter.

**Step 2: Consolidation of Dues and filing of Claims to Insolvency Resolution Professional (IRP)**

- Office of CGCA and DG(T) will consolidate dues along with proof of claims pertaining to CCAs, and LSAs respectively and file them in the required format to the Insolvency Resolution Professional (IRP)/Official Liquidator (OL) within the required time frame without fail. Each office which raises the demand against the licensee is responsible for defending the same before IRP/OL or

any judicial forum as the case may be. A final copy of the filed dues must be shared with LFP wing.

- All other wings of DoT, whoever raises any demand, will consolidate dues along with proof of claims for defending the same and submit to LFP wing in a time bound manner for onwards filing to IRP. No request for onward submission of the claims will be accepted after the cutoff date is passed.

### **Step 3: Representing DoT in NCLT/NCLAT/Supreme Court**

- LFP will be nodal wing to correspond with the Resolution Professional (RP) after filing of dues regarding finalization of the Resolution Plan and defending the interest of the Department before the committee of creditor (COC), Stakeholder Consultation Committee and NCLT, NCLAT and Supreme Court as the case may be.
- While defending the case, LFP wing may assign some responsibilities to any wing/field unit of the Department as the need arises.

#### **In case the Resolution Plan fails:**

In the above scenario, the concerned company goes for liquidation and the whole process of submitting claims starts afresh. Dues along with interest may be recalculated upto the Liquidation Commencement Date as mentioned in the Public Announcement.

- If such a case arises, Step 2 and Step 3 will again be repeated in the same manner as defined above.

## **2. For Licensees whose assessment is done at PrCCA/CCA level**

### **Step 1: Intimation about CIRP initiation**

- Office of Pr. CCAs/CCAs will be responsible for monitoring such licensees and disseminate information about insolvency to the office of CGCA, LFP, DG(T) and DS wing who may further disseminate the information to relevant stakeholders.
- PrCCA/CCA will obtain Company Specific Subscription on IBBI website via Corporate Identification Number (CIN) of the



Company to get regular updates about initiation of insolvency and its status thereafter.

**Step 2: Consolidation of Dues and filing of Claims to Insolvency Resolution Professional (IRP)**

- Concerned Pr. CCA/CCA will take necessary actions with respect to the consolidation of dues and filing of claims.
- Other wing/office will provide consolidated dues, if there are any, to the office of concerned Pr. CCA/CCA before the cutoff dates.
- Each office which raises any type of demand against the licensee must be ready to defend the same before IRP/OL/any judicial forum as the case may be
- No request for onward submission of claims from any wing/field office will be entertained after the cutoff date is passed.

**Step 3: Representing DoT in NCLT/NCLAT/Supreme Court**

- Concerned Pr. CCA/CCA will represent the Department in Committee of Creditors and NCLT and take all necessary steps for defending the interest of the Department. The concerned Pr CCA/CCA office should keep informed CGCA and LFP wing about all proceedings.
- LFP wing will handle the case in NCLAT and Supreme Court if the need arises.

**In case the Resolution Plan fails:**

In the above scenario, the concerned company goes for liquidation and the whole process of submitting claims is once again started. Dues along with interest may be recalculated up to the Liquidation Commencement Date as mentioned in the Public Announcement.

- If such a case arises, Step 2 and Step 3 will again be repeated in the same manner as defined above.

**3. For Licensees issued by WPC**

WPC wing will monitor all the operators/companies whom they issue license or allocate administrative spectrum. Individual licensing group in WPC wing who raises the demand will be responsible for filing and defending the claims before IRP/OL/any judicial forum and share a copy of final dues submitted to IRP/OL with LFP wing. And follow the case in NCLT, NCLAT or Supreme Court whenever required.



**In case the Resolution Plan gets rejected:**

In the above scenario, the concerned company goes for liquidation and the whole process of submitting claims is once again started. Dues along with interest may be recalculated upto the Liquidation Commencement Date as mentioned in the Public Announcement.

- If such a case arises, the above given process will again be repeated in the same manner as defined above.

4. It is to be noted that during the period of Corporate Insolvency Resolution Process, the concerned office may raise a demand against the licensee against the current dues arising out of use or continuation of the license during the moratorium period.

5. It is also to be stated that all wings of DoT/Field offices who are responsible for raising demands against a licensee, are solely responsible for realization of the same. The responsibility does not end with submission of claims. Each concerned office must be vigilant of CIRP proceedings until the logical resolution of their claims.

6. In case of licenses whose assessment is done by PrCCA/CCAs or WPC, a quarterly report should be submitted to LFP wing regarding the insolvency/liquidation status of all their licensees/operators and the steps taken therein for realization of their claims.

7. Licensing Wings of DoT will provide a certified list of all the companies with the type of license and the CIN of the Company to LFP wing within two weeks of this SOP coming into force.

8. All Legal cases other than the insolvency process will be dealt by those offices who are currently responsible for the same.

9. National Institute of Communication Finance (NICF) shall organize a periodic training program related to process of filing claims and other issues related to Insolvency and Bankruptcy Code, 2016 at regular interval.

This issues with the approval of Secretary(T).

*R. Sahasr Kumar*  
Director (LFP-I)

**File No:1000/10/2022-WR**  
**Government of India**  
**Ministry of Communications**  
**Department of Telecommunications**  
**(Wireless Planning Finance Division – WR Section)**

Dated: xx.06.2023

**OFFICE MEMORANDUM**

**Sub: Clarification on calculation of SUC Rate in cases where there is a change in Spectrum Quantum in the middle of the quarter– Reg.,**

This is regarding Clarification on calculation of SUC Rate in cases where there is a change in Spectrum Quantum in the middle of the quarter due to various factors viz., expiry of spectrum, spectrum acquired through auction/trading/merger, etc. or any other reason.

2. In partial modification of the OM No.1034/12/2016-WR, dated 28.04.2020, para (3) regarding the SUC rate to be calculated in cases of change in spectrum quantum in the middle of the quarter is given hereunder:

*"If there is change in spectrum holding of the licensee during the quarter due to expiry, acquisition due to auction/trading/merger etc or any other reason, the SUC for the quarter is to be calculated as follows: The weighted average SUC rates for two (or more) periods, shall be weighted averaged based on no. of days in respective periods to arrive at a final Weighted Average SUC rate which will be applied on the AGR for the quarter. The rounding off shall be done on the final Weighted Average SUC rate for the quarter."*

3. Further, presumptive AGR, Floor SUC Amount and Minimum SUC rate if applicable will be calculated in the similar manner. Also, SUC rate for E-Band/MWA/MWB will be calculated in the similar manner.

4. The illustration is given in the Annexure for ready reference.

This issues with the approval of Competent Authority.

Signed by Tanvika Singh  
 Date: 10-07-2023 11:09:45  
 Reason: Approved  
 (Tanvika Singh)  
 Director (WR)  
 Ph:011-23036821

**To**  
**Sr. Jt. CGCA (Revenue), O/o CGCA**

**Copy for information to:**

1. PPS to Member (F)/Member (T)
2. PPS to Advisor (F)
3. CGCA
4. Addl. CGCA, O/o CGCA
5. PPS to Wireless Advisor
6. DDG (LFA)/DDG (LFP)



**Annexure****Weighted Average SUC Rate from 01.07.2022 to 16.08.2022:**

| No. of days (e)   | 47       |                                     |   |        |                                |
|-------------------|----------|-------------------------------------|---|--------|--------------------------------|
| Type of Allotment | Band     | Quantum of Spectrum allotted in MHz | Total Quantum of Spectrum allotted in MHz | Rate % | Product (Total quantum x Rate) |
| Auction'2010-BWA  | 2300 MHz | 20                                  | 20  | 1%     | 20%                            |
| Auction MAR-2015  | 1800 MHz | 10                                  | 20  | 5%     | 100%                           |
| Auction OCT-2016  | 800 MHz  | 5                                   | 10  | 3%     | 30%                            |
| Auction MAR-2021  | 800 MHz  | 1.25                                | 2.5                                       | 3%     | 7.50%                          |
|                   | 800 MHz  | 3.75                                | 7.5                                       | 3%     | 22.50%                         |
|                   | 2300 MHz | 20                                  | 20  | 3%     | 60%                            |
|                   |          |                                     | 80  |        | 240.00%                        |
|                   |          |                                     | a   |        | b                              |

**Weighted Average SUC Rate from 17.08.2022 to 30.09.2022:**

| No. of days (f)   | 45       |                                     |   |        |                                |
|-------------------|----------|-------------------------------------|---|--------|--------------------------------|
| Type of Allotment | Band     | Quantum of Spectrum allotted in MHz | Total Quantum of Spectrum allotted in MHz | Rate % | Product (Total quantum x Rate) |
| Auction'2010-BWA  | 2300 MHz | 20                                  | 20  | 1%     | 20%                            |
| Auction MAR-2015  | 1800 MHz | 10                                  | 20  | 5%     | 100%                           |
| Auction OCT-2016  | 800 MHz  | 5                                   | 10  | 3%     | 30%                            |
| Auction MAR-2021  | 800 MHz  | 1.25                                | 2.5                                       | 3%     | 7.50%                          |
|                   | 800 MHz  | 3.75                                | 7.5                                       | 3%     | 22.50%                         |
|                   | 2300 MHz | 20                                  | 20  | 3%     | 60%                            |
| Auction AUG-2022  | 700 MHz  | 10                                  | 20  | 0%     | 0%                             |
|                   | 1800 MHz | 10                                  | 20  | 0%     | 0%                             |
|                   | 3300 MHz | 130                                 | 130                                       | 0%     | 0%                             |
|                   | 26 GHz   | 1000                                | 1000                                      | 0%     | 0%                             |
|                   |          |                                     | 1250                                      |        | 240.00%                        |
|                   |          |                                     | c   |        | d                              |

|  |   |              |
|--|---|--------------|
| <b>Weighted Average SUC Rate for Q2 of 2022-23 =</b> | $\frac{((b \times e/a) + (d \times f/c))}{(e+f)}$ | 1.62652%     |
|  | <b>Rounded off to</b>                             | <b>1.63%</b> |

**Minimum SUC rate of 3% abolished w.e.f.21.06.2022 vide SUC charging order dt.21.06.2022**

- a - Total Quantum of Spectrum allotted in MHz for 1<sup>st</sup> period  
b - Product (Total quantum x Rate) for 1<sup>st</sup> period  
c - Total Quantum of Spectrum allotted in MHz for 2<sup>nd</sup> period  
d - Product (Total quantum x Rate) for 2<sup>nd</sup> period  
e - No. of days in 1<sup>st</sup> period  
f - No. of days in 2<sup>nd</sup> period

Signed by Tanvika Singh  
Date: 10-07-2023 11:05:57  
Reason: Approved



**Government of India**  
**Department of Telecommunication**  
**Licensing Finance Policy Wing**

**No. 12-44/2021-LFP****Date: .07.2023**

To,  
COAI/ISPAI/VNOAI/ACTO/ASSOCHAM

**Sub: Representations on review of Definition of Gross Revenue (GR) and Adjusted Gross Revenue (AGR).**

This is with reference to your various representations on the matter of Definition of GR (Gross Revenue) and Adjusted Gross Revenue (AGR). The matter has been examined and a detailed explanation of the issues involved are provided below :

1. The Union Cabinet in its meeting held on 15.09.2021 had taken several decisions towards reforms in the Telecom sector including that of rationalization of AGR definition. The changes with regarding to definition of AGR was based on TRAI Recommendations dated 06.01.2015 on Definition of Revenue Base (AGR) for the Reckoning of Licence Fee and Spectrum Usage charges. These recommendations have been issued by TRAI after following the due process of consultation with all stakeholders.
2. With this reforms DoT has implemented the principle of 'Applicable Gross Revenue (ApGR)' which is arrived at by deducting certain items of Revenue from the Gross Revenue. Adjusted Gross Revenue (AGR) is arrived at by deducting permissible deductions as defined in the license agreement from 'Applicable Gross Revenue (ApGR)'.
3. The conditions which would apply on the List of Other income to be excluded from Gross Revenue to arrive at ApGR has already been clearly explained in Annexure VIII of the license agreement. In Annexure VIII the list of items of "other income" have been tabulated with description of each item and conditions applicable to consider them to be not be part of ApGR. The same may be referred by the licensees.
4. The response to the specific issues raised in your representations are provided in the table below



| Sl. No. | Issue Raised  | Comment of DoT  |
|---------|---|---|
| 1       | Issue necessary clarification with regard to the term "revenue from operations other than telecom activities/operations", since the same is not defined in the License Agreement.                         | Scope of license clause in the license agreement defines services which can be offered under the license. All activities covered under scope of license will be classified as Telecom activities.<br><br>As the nature of non telecom activities will vary between different companies it is not possible to list out non telecom activities. |
| 2       | Exclude revenue from licenses issued by MIB retrospectively.  | Excluded prospectively from October 2021. Matter subjudice in TDSAT for past period.  |
| 3       | Income from Dividend shall also include gains on mutual funds.  | Excluded as per Sl. No(c) of Annexure VIII of license agreement   |
| 4       | Definition of interest for the purpose of exclusion from ApGR should be simplified to include all forms of interest receipt.  | Detailed explanation already available in Sl. No (b) of Annexure VIII of license agreement  |
| 5       | Gains from foreign rate fluctuations - Market to Market accruals should also get covered.   | Excluded as per Sl. No (d) of Annexure VIII of license agreement  |
| 6       | Leased line /bandwidth charges, port charges, cable landing station charges, sharing of infrastructure services and other charges which are paid from one TSP to another should be allowed as deductions. | TRAI in para 2.33 of its recommendations dated 06.01.2015 has already mentioned that these are basically expenditure related to effective network operation and cannot be treated as similar to interconnection usage charges.  |






These are items of costs that are paid on a fixed monthly/yearly/per connection charges and are not incidental to the carriage of calls on per call basis like, interconnection usage charges/roaming charges.

PTC by definition is that part of revenue collected from the customer and passed on to another TSP; however, the costs linked to effective network functioning are not linked to the revenue collected from the customer on behalf on another TSP. Hence, the Authority is of the considered view that items referred should not qualify for recognition as items of PTC to arrive at AGR.


Deductions have been well established and defined in each license authorization .The deductions allowed arise from statutory or regulatory mandates stipulated in license. They are easy to verify by the licensor to ensure compliance.

For example License agreement mandates that inter circle traffic be routed to NLD licensee network and international traffic through ILD licensee network. The charges paid to these licensees for carriage of calls is allowed as a






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|    |   | deduction. Similarly in case of VNO licensees the charges paid by them to NSOs towards access charges, purchase of bulk/wholesale bandwidth, minutes and SMSs are allowed as a deductions as they cannot setup their core infrastructure . |
| 7  | Insurance Claim- Claim received on account of business loss should also be covered.   | Excluded as per Sl. No (f) of Annexure VIII of license agreement   |
| 8  | Excess provisions written back- Reversal on account of write back off vendor balances shall also be covered.  | Excluded as per Sl. No (h) of Annexure VIII of license agreement   |
| 9  | Capital Receipts.   | Excluded as per Sl. No (c) of Annexure VIII of license agreement   |
| 10 | Capital gains on business combination e.g. merger, demerger, slump sale etc.  | Excluded as per Sl. No (c) of Annexure VIII of license agreement   |
| 11 | Sale of goods and services for which license is not required such as sale proceeds of handsets, terminal equipment or any ancillary services like OTT subscription, M-advertisement services etc. | Statement of Revenue format already provides for declaration of income from trading activity which covers sale of handsets, accessories etc. These are ancillary to telecom activities. Will be included in AGR.                           |
| 12 | Any form of notional income including free airtime.   | Considered part of AGR.  |
| 13 | Income from property involving establishing, maintain and working of telecommunications should not be treated as revenue as these are reimbursement of expenses or sharing of costs.              | Explained in Sl. No (e) of Annexure VIII of license agreement  |
| 14 | Reimbursement of expenses   | GR definition specifically says  |



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|    | (including the amount received from other TSPs).   | that any set-off for related item of expense is not allowed.  |
| 15 | Recovery from vendors on account of deficiency of service.   | Part of Telecom revenue as linked to telecom operations   |
| 16 | Credits provided by OPEX/CAPEX vendors.  | Excluded from AGR.  |
| 17 | Interest on direct tax/indirect tax refunds.   | Excluded as per Sl. No (b) of Annexure VIII of license agreement  |
| 18 | Management support charges/Manpower Cross-Charge.  | Part of Telecom Revenue if the activity is related to telecom services  |
| 19 | Revenue earned from IP-1 registration  | Establishing, maintaining and sharing of passive infrastructure is allowed under the Scope of license in many license authorizations like Access service, ISP, NLD, ILD . Activities covered under the scope of license will be treated as part of Telecom Revenue. |
| 20 | A single Gross Revenue and ApGR should be prepared for the company and then the ApGR should be shown with the Circles/Licensees.   | Accounts are to be maintained separately for each telecom service operated by licensee company as per license agreement.  |
| 21 | All the charges which are of pass-through in nature paid to other telecom service providers in India or charges paid for carriage of calls/data should be allowed as deductions for all services.(Raised by VNOAI) | Charged paid to NSOs by VNO are allowed as deduction as per license agreement. For other items please refer remarks in Sl No. 6 above.  |
| 22 | Accounting of deductions of pass-through charges from Gross Revenue to arrive at AGR should be allowed on accrual basis.   | Deductions are allowed on paid basis as per license agreement. The issue was litigated and upheld by court in AGR case  |
|    |  |   |





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| 23 | Pure Internet Services deductions under ISP license should be allowed for both licensed categories-UL and Pre UL licenses.                       | Matter under litigation in Hon'ble Supreme Court.   |
| 24 | License Fee should be immediately brought down to 1% of AGR along with suspension of contribution towards USOF till existing corpus is utilized. | Separate policy issue not linked to AGR definition.   |
| 25 | Reduce SUC rate by 3% for all TSPs.  | No SUC for spectrum acquired in auction held after Sept 2021 Telecom reforms. Minimum rate of SUC at 3 percent of AGR also removed. |
| 26 | SUC should be levied only on revenue from licensed telecom services provided using access spectrum.  | Wireline revenue is already excluded from AGR calculated for the purpose of SUC.  |

5. Assessment of FY 2021-22 is the first assessment which was impacted by the reforms. Assessments for FY 21-22 for Telecom Service Providers have been issued by the department and no major issues have been raised by the TSPs. Further there is an internal appellate mechanism through which appeal against the assessment order can be submitted by the licensee and any disputes can be handled.

This issues with approval of competent authority.

Signed by  
Sathish Kumar R  
Date: 17-07-2023 10:38:27

Sathish Kumar R  
Director (LFP-II)



**Government of India**  
**Ministry of Communications**  
**Department of Telecommunications**  
**Sanchar Bhawan, 20 Ashoka Road, New Delhi- 110 001**  
**(Licensing Finance Assessment Wing)**

File No.:36-2/2022/LFA/SARAS

Dated 21.07.2023

To,  
 Jt. CGCA,  
 O/o CGCA,  
 NICF Campus Ghitorni,  
 New Delhi 110047.

**Sub: LF Assessment Status for the year 2021-2022- SARAS - Reg****Ref: LFP letter F.No.1-35/2016-LFII(Pt-I) dt.28/06/2023.**

With reference to the Minutes of the meeting held on 26.06.2023 under the chairmanship of Member (F) regarding status of assessment of decentralized licensees for FY 2021-2022, the summary of the status of LF assessment for the year 2021-2022 as on 20.7.2023(obtained from SARAS) is mentioned below.

| Assessing office  | No of Valid licensees for FY 2021-22 | No of licensees who have filed Audited statement of revenue on SARAS till date as on 20.7.2023 | No of licensees who have filed Annual Financial Statement on SARAS as on 20.7.2023 | No of licensees for whom LF assessment has been completed as on 20.7.2023 | % assessment carried / no of licensees who have submitted document |
|-------------------|--------------------------------------|--|--|---|--|
| ANDHRA PRADESH    | 38                                   | 25   | 23   | 21  | 91%  |
| ASSAM             | 23                                   | 12   | 12   | 10  | 83%  |
| BIHAR             | 43                                   | 20   | 19   | 22  | 116%   |
| CHHATTISGARH      | 25                                   | 11   | 7  | 5   | 71%  |
| DELHI             | 269                                  | 183  | 137  | 113   | 82%  |
| GUJARAT           | 147                                  | 113  | 98   | 70  | 71%  |
| HARYANA           | 77                                   | 30   | 12   | 10  | 83%  |
| HIMACHAL PRADESH  | 17                                   | 9  | 8  | 8   | 100%   |
| JAMMU AND KASHMIR | 13                                   | 9  | 8  | 8   | 100%   |
| JHARKHAND         | 13                                   | 6  | 5  | 4   | 80%  |
| KARNATAKA         | 114                                  | 63   | 47   | 34  | 72%  |
| KERALA            | 36                                   | 25   | 19   | 14  | 74%  |
| KOLKATA           | 32                                   | 26   | 21   | 17  | 81%  |
| MADHYA PRADESH    | 40                                   | 32   | 34   | 31  | 91%  |

I/3115715/2023

|               |             |             |             |            |            |
|---------------|-------------|-------------|-------------|------------|------------|
| MAHARASHTRA   | 376         | 252         | 211         | 197        | 93%        |
| MUMBAI        | 316         | 163         | 138         | 134        | 97%        |
| NORTH EAST I  | 10          | 7           | 7           | 6          | 86%        |
| NORTH EAST II | 9           | 5           | 3           | 4          | 133%       |
| ODISHA        | 28          | 7           | 5           | 7          | 140%       |
| PUNJAB        | 49          | 26          | 21          | 18         | 86%        |
| RAJASTHAN     | 70          | 45          | 45          | 41         | 91%        |
| TAMIL NADU    | 163         | 87          | 55          | 30         | 55%        |
| Telangana     | 67          | 48          | 45          | 49         | 109%       |
| UP (EAST)     | 71          | 50          | 55          | 44         | 80%        |
| UP (WEST)     | 75          | 45          | 42          | 50         | 119%       |
| UTTRAKHAND    | 44          | 29          | 27          | 15         | 56%        |
| WEST BENGAL   | 43          | 23          | 21          | 16         | 76%        |
| <b>Total</b>  | <b>2208</b> | <b>1351</b> | <b>1125</b> | <b>978</b> | <b>87%</b> |

Note: In some cases, Percentage assessment exceeds 100%. This is on account of assessment done and uploaded in Assessment entry Utility by CCA office based on physical document when licensee has not submitted document in SARAS.

It is seen that out of 2208 Licensees, 1351 Licensees have filed Audited Statement of Revenue and 1125 have submitted the annual financial Statement. For remaining Licensees, action may be taken for license agreement and extant orders of LFP and CGCA. Further, if any of the licenses has expired or surrendered but not yet updated in SARAS, the same may be updated.

The above data may be used for monitoring and compliance of decisions taken in said meeting.

This issues with the approval of competent Authority.

Signed by Shankara Nand

Mishra

Date: 24-07-2023 07:14:58

Reason: Approved

(Shankara Nand Mishra)

Director (LFA-III).

Phone.No.011-23036231

Email ID: [Div.lfa3-dot@gov.in](mailto:Div.lfa3-dot@gov.in)

Copy to:

(i) PS to Advisor(F)

(ii) DDG(LFP)



**Government of India  
Department of Telecommunication  
Licensing Finance Policy Wing  
Sanchar Bhawan, Ashoka Road, New Delhi 110001**

**No:1-9/2019-LFP-I**

**Date: 04.08.2023**

To,  
CCA Karnataka  
Amenity Block ,Palace Road,  
Bengaluru-560001

**Sub: Adjustment of Surplus License Fee and Spectrum Usage Charges**

Ref:12/LF/GUARD FILE/10663 dated 24.07.2023.

With reference to above referred letter of your office the following is intimated :

1. Intra circle adjustment includes adjustments within two or more SSAs also. Surplus arising within SSAs of same circle will be adjusted as per the SOP .
2. Para 2 of the SOP clearly defines the term Surplus for the purpose of the SOP .

Signed by  
Sathish Kumar R  
Date: 04-08-2023 19:37:08

**Sathish Kumar R  
Director (LFP-II)**

**Copy to:  
Jt. CGCA(Revenue)**

I/3119329/2023

Government of India  
Ministry of Communications  
Department of Telecommunications  
Sanchar Bhawan, 20 Ashoka Road,  
New Delhi- 110001

F. No. 27-19/LFA-III/Miscellaneous

Date 27.07.2023  
08.08.2023



To,  
M/s Bharti Airtel Limited  
Airtel Centre, Plot No.  
16, Udyog Vihar, Phase  
-IV Gurugram -122015

**Sub: - Revenue under head sale/lease of bandwidth, links, R&G cases, turnkey projects – reg**

**Reference: No. RP/FY 23-24/082/302 (A) dated 11.07.2023**

1. The letter under reference, M/s Bharti Airtel Limited on the above subject has been examined. In this regards following is stated:

As per the license agreement, the company is required to state the revenue from the "Sale/lease of bandwidth, links, R&G cases, turnkey projects etc." item at S.No.8 of the AGR format, instead of reflecting it at 1A(ix) "any other income /miscellaneous receipt from wireline subscribers", as "Sale/lease of bandwidth, links, R&G cases, turnkey projects etc." has been asked to reflect at s.no. 8 separately.

2. In view of the above, I am directed to convey that the correct statement of revenue and license fee reflecting the revenue related to "Sale/lease of bandwidth, links, R&G cases, turnkey projects etc." at S.No.8 of the statement from FY 2022-23 onwards should be provided and SUC payable on the said matter for past years may also be deposited with interest.

Director (LFA-II)

Copy to : DDG (WPF), for necessary action.

Jt. CMA (Revenue), o/o CMA, for necessary action.





**File No:1033/13/2016-WR**  
**Government of India**  
**Ministry of Communications**  
**Department of Telecommunications**  
**(Wireless Planning Finance Division – WR Section)**



To  
The CCA  
O/o Pr. CCA, Mumbai Circle  
2<sup>nd</sup> Floor,  
CTO Bldg., Fort,  
Mumbai- 400001

Dated: xx.08.2023

**Sub: Clarification regarding apportionment of deductions into wireline and wireless services – Reg.,**

This is with reference to Lr.No.PrCCA/MUM/RMC/Appeals/2023-24, dated 04.08.2023.

2. In this regard, it is clarified that as per the license agreement, only one format has been prescribed i.e. "Statement of Revenue and License fee" for all the licensees.
3. Therefore, the information with respect to revenue and deductions are to be disclosed by the TSP's as per the above statement.
4. Your office is requested to only consider the above document provided by the TSP for the purpose of SUC assessment and disposal of appeals/ representations.

This has approval of the Competent Authority.

Signed by Tanvika Singh  
Date: 14-08-2023 16:34:11  
Reason: Approved  
(Tanvika Singh)  
Director (WR)  
Ph:011-23036821