

16/11/11

No.1-28/2006/LF
Department of Telecom
(Licensing Finance Branch)

dated 30.11.2011

To

All the UAS/Basic/CMTS Service Providers,

Sub: Submission of details of deductions claimed along with proof of payment to back up the claimed deductions in the Audited quarterly Statement of Revenue & License Fee for the financial year 2007-08 onwards in respect of UAS/ Basic and CMTS Licenses held by you.

1. As per Clause 19.2 of the UAS and clause 20.1 of the CMTS License Agreement "For the purpose of arriving at the 'Adjusted Gross Revenue (AGR)' the following shall be excluded from the Gross Revenue to arrive at the AGR:
 - PSTN related call charges (Access Charges) actually paid to other eligible/entitled telecommunication service providers within India;
 - Roaming revenues actually passed on to other eligible/entitled telecommunication service providers and;
 - Service Tax on provision of service and Sales Tax actually paid to the Government if gross revenue had included as component of Sales Tax and Service Tax."
2. In order to allow the deductions claimed on the above lines, the proofs of payments actually made by the service provider were mandated to be verified by CCA offices vide this office letter no. 1-28/2006-LF dated 21.09.2006. Consequently, the service providers were asked to provide the details in support of the deductions claimed along with the quarterly Statement of Revenue and Licence Fee.
3. However, due to TDSAT judgment dated 30.08.2007, it was noticed that many service providers stopped submitting the details/proofs of the claimed deductions with the Audited quarterly Statement of Revenue & License Fee for the financial year 2007-08 onwards.
4. Invoking clause 22.3 (a) of the UAS license agreement, the licensees were asked to keep on submitting the requisite details along with proof of payment vide this office letter no. 1-28/2006/LF dated 13.08.2010. In spite of this, many licensees have not been submitting the requisite details.
5. Now the Hon'ble Supreme Court of India vide its Judgment dated 11.10.2011 has set aside TDSAT orders dated 30.08.2007.

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In view of the same, one last opportunity is being provided to the licensees for submitting requisite details along with proof of payment to back up the claimed deductions in the Audited quarterly Statement of Revenue & License Fee for the financial year 2007-08 onwards latest by 20.12.2011 to the concerned Pr.CCA/ CCA office, so that annual assessment for the year 2007-08 onwards can be carried out.

In case no reply is received by the aforesaid date, it would be presumed that no deduction is to be claimed and the License Fee payable will be assessed accordingly.

6. In case, the said details along with the proof of actual payments for the years 2007-08 onwards have already been submitted to the O/o the Pr. CCA/ CCA office, this communication may be ignored.

[Handwritten signature]
30/11/11
Director (LF-III)

Copy to: All Principal CCAs /CCAs /Jt.CCAs concerned.

[Handwritten signature] 30/11/11 for M/s. STel Pvt. Co.
Rupendra SIKKAS

[Handwritten signature] 30/11/11 M/s Loop Mobile (India) Ltd.

Alshahana 30/11/2011 M/s Etisalat DB Telecom Pvt Ltd.

ANISH 30/11/2011 M/s Airtel Ltd.
BHARTI

BINAC CHOPRA 30/11/2011 M/s VIDECON TELECOMMUNICATIONS LIMITED
(17:15)

[Handwritten signature] → *[Handwritten signature]* Reliance (By fax)

[Handwritten signature] DINESH BISHT - 30/11/2011 M/s. NARCEL Pvt. Co.
Dishnet

[Handwritten signature] Rishi Singh 1/12/2011 M/s United Wireless (Tamil Nadu) Pvt. Co.

[Handwritten signature] Amit Raina 1/12/2011 M/s Vodafone India Ltd.

[Handwritten signature] Pankaj M/s Airtel *[Handwritten signature]*