

Government of India
Ministry of Communications
Department of Telecom
Sanchar Bhavan, 20, Ashoka Road, New Delhi - 110001
(Data Services Cell)

File No. 820-01/2006-LR(VOL.-II) Pt-2

Dated: 31.03.2021

To

All Internet Service Providers Licensees
 Granted Under Guidelines dated 08.03.2002

Subject: Amendment relating to infrastructure sharing, Public Wi-Fi services, Definitions of Gross Revenue, Adjusted Gross Revenue and Rate of License Fees in Internet Service Provider (ISP) Licenses granted as per 2002 guidelines

In pursuance of Condition No. 12.2(ii) of the Internet Service Provider Licenses granted under the guidelines dated 08.03.2002, LICENSOR hereby appends the following conditions in the said ISP License Agreements with immediate effect:

Existing Condition	Appended Condition
SCHEDULE "C"	SCHEDULE "C"
PART II: TERMS AND CONDITIONS	PART II: TERMS AND CONDITIONS
Condition 1: REQUIREMENT TO PROVIDE THE SERVICE	Condition 1: REQUIREMENT TO PROVIDE THE SERVICE
<i>New Condition 1.2A and 1.2B to be inserted between existing condition 1.2 and 1.3</i>	<i>1.2A Licensee may enter into mutual commercial agreements for roaming facilities (within same service area or other service areas) with other Cellular Mobile Telephone Service Licensees/ Unified Access Service Licensees/Unified Licensees with Access Service authorization/ Unified Licensees having Category 'A', Category 'B' and Category 'C' Internet Service Provider (ISP) authorizations/ Category 'A', Category 'B' and Category 'C' Internet Service Provider (ISP) Licensees, for providing Internet Access Services only. However, any Roaming arrangement shall not entitle the Licensee to acquire customer in the spectrum band not held or technology not deployed or for services/facilities not offered by the Licensee in its network.</i>
	<i>1.2B Sharing of Active infrastructure amongst Service Providers based on the mutual agreements entered amongst them is permitted. Active infrastructure sharing will be limited to Wi-Fi equipment such as Wi-Fi router, Access Point etc. Sharing of backhaul is also permitted.</i>

Existing condition as per amendment issued vide letter No.820-1/05-LR (ITSP Amend) Dated: 03.03.2006

Clause 1.1: Quantum of license fee and Schedule of payment:

(iii) With effect from 01.01.2006, annual licence fee annually @ 6% of Adjusted Gross Revenue (AGR), excluding spectrum charges will be applicable in addition to Rupee One per annum. The Licensor reserves the right to modify the above mentioned Licence Fee any time during the currency of this Agreement.

(v) Definition of 'Adjusted Gross Revenue':

a) Gross Revenue: The Gross Revenue shall be inclusive of Internet access service, internet content service, Internet Telephony service installation charges, late fees, sale proceeds of terminal equipments, revenue on account of interest, dividend, value added services, supplementary services, revenue from permissible sharing of infrastructure and any other miscellaneous revenue, without any set-off for related item of expense, etc.

b) 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:

Clause 1.1: Quantum of license fee and Schedule of payment:

(iii) An annual licence fee @8% of Adjusted Gross Revenue (AGR) inclusive of USO Levy which is presently 5% of AGR shall be payable per licenced service area. The Licensor reserves the right to modify the License fee as percentage of AGR any time during the currency of this agreement.

(v) Definition of 'Adjusted Gross Revenue' :

a) Gross Revenue: The Gross Revenue shall be inclusive of revenue from Internet access service, revenue from internet contents, revenue from Internet Telephony service, revenue from activation charges, revenue from sale, lease or renting of bandwidth, links, R&G cases, Turnkey projects etc., revenue from IPTV service, late fees, sale proceeds of terminal equipments, revenue on account of interest, dividend, value added services, supplementary services, interconnection charges, roaming charges, revenue from permissible sharing of infrastructure and any other miscellaneous revenue, without any set-off for related item of expense etc.

b) 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:

(i) 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.

(ii) Roaming revenue actually passed on to other eligible/entitled telecom service provider.

<p>(i) Charges from Internet access, Internet content and Internet access related installation charges.</p> <p>(ii) 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.</p>	
<p>APPENDIX-II TO ANNEXURE-I</p> <p>Format of Statement of Revenue and Licence Fee</p>	<p>The format is revised and revised format is attached herewith.</p>

2. This amendment shall be part and parcel of Internet Service Provider (ISP) Licenses granted as per 2002 guidelines. All other terms and conditions shall remain unchanged.

3. The amendments shall be effective with immediate effect.

Encl: Revised Format of Statement of Revenue and Licence Fee

Jai Prakash
31/03/2021

(Jai Prakash)
ADG (DS)
Tel No.: 23036482

Copy To:

- (1) Secretary, TRAI
- (2) Advisor(Economics)/ Wireless Advisor
- (3) Sr DDG (TEC)/ DGT, DOT(HQ)
- (4) DDG(DS)/ DDG(AS)/ DDG(CS)/ DDG (LFP) /DDG(LFA)/ DDG(Security) /DDG (WPF)/ DDG(A/C)
- (5) All Director of AS /DS cell
- (6) Director (IT) may kindly arrange to upload this letter on the website of DoT.

Appendix-II to Annexure-I

Format of Statement of Revenue and License Fee
 _____(Name and address of operator)
ISP License No.
 in _____(Service Area)
Statement of Revenue and License Fee for the Quarter

of the financial year.....

(AMOUNT IN RUPEES)

S.N.	PARTICULARS	ACTUALS FOR THE PREVIOUS QUARTER	ACTUALS FOR THE CURRENT QUARTER	CUMULATIVE UPTO THE CURRENT QUARTER.
1	Revenue from services			
A	Revenue from Pure Internet Service (Internet Access and Content Service):			
A1.	Post paid options:			
i	Rentals			
ii	Activation Charges			
iii	Service Tax			
iv	Service charges			
V	Charges on account of any other value added services. Supplementary Services etc.			
vi	Any other income/ miscellaneous receipt from post paid options.			
A2.	Pre-paid options:			
i.	Sale of pre-paid option including full value of all components charged therein.			
ii.	Any other income/ miscellaneous receipt from pre-paid options.			
B	Revenue from Internet Telephony Service:			
B1.	Post paid options:			
i	Rentals			
ii	Activation Charges			
iii	Service Tax			
iv	Service charges			

v	Charges on account of any other value added services. Supplementary Services etc.			
vi	Any other income/ miscellaneous receipt from post paid options.			
B2.	Pre-paid options:			
i.	Sale of pre-paid option including full value of all components charged therein.			
ii.	Any other income/ miscellaneous receipt from pre-paid options.			
C	Revenue from any other value added service			
2	Income from trading activity (all including of sales tax)			
(i)	Sale of Terminal Equipments			
(ii)	Sale of accessories etc.			
(iii)	Any other income/ miscellaneous receipt from trading activity.			
3	Income from investments			
(i)	Interest income			
(ii)	Dividend income			
(iii)	Any other miscellaneous receipt from investments.			
4	Non-refundable deposits from subscribers			
5	Revenue from franchisees /resellers including all commissions and discounts etc. excluding the revenues already included in IA&IB			
6	Revenue from sharing/ leasing of infrastructure			
7	Revenue from sale/ lease renting of bandwidth, links, R&G cases, turnkey projects etc.			

8	Revenue from Roaming			
i	Roaming facility revenue from own subscribers.			
ii	Roaming revenue from own subscriber visiting other networks.			
iii	Roaming Commission earned.			
iv	Roaming revenue on account of visiting subscribers from other networks.			
V	Service Tax if not included above.			
vi	Any other income/miscellaneous receipt from roaming			
9	Revenue from IPTV Services			
10	Revenue from other Operators on account of provisioning of interconnection			
11	Miscellaneous Revenue			
AA	GROSS REVENUE OF THE Licensee COMPANY :(Add 1-11)			
B	DEDUCT:			
1	Service Tax paid to the Government			
2	Sales Tax paid to the Government			
3	Roaming revenue actually passed on to other eligible/entitled telecom service provider.			
BB	TOTAL DEDUCTIBLE REVENUE (1+2+3)			
CC	ADJUSTED GROSS REVENUE (AA-BB)			
	REVENUE SHARE @ ----- OF ADJUSTED GROSS REVENUE			