

File No. 11/10/ 2020-Policy
 Government of India
 Ministry of Communications
 Department of Telecommunications
 Sanchar Bhawan, Ashok Road New Delhi – 110001
 (Carrier Services – I Cell)

30th December, 2021

To

All the Voicemail/ Audiotex/ UMS Licensees

Subject: Amendment in Voicemail /Audiotex /Unified Messaging Service License Agreement.

As per **Condition 5** of the license agreement, the LICENSOR reserves the right to modify at any time the terms and conditions of the LICENCE, if in the opinion of the LICENSOR it is necessary or expedient to do so in public interest or in the interest of the security of the State or for the proper conduct of the service. The LICENSOR hereby makes the following amendments in license agreement with immediate effect: -

Condition No.	Old Clause	New Clause
1. Ownership of the LICENSEE Company.	1.1 The Applicant should be an Indian company, registered under the Indian Companies Act' 1956. With regard to foreign investment, 100% foreign direct investment (FDI) is permitted, subject to fulfilment of other rules and conditions of the Government on FDI.	<p>1.1 FDI upto 100% under automatic route subject to observance of licensing and security conditions by licensee as well as investors as notified by the DoT from time to time.</p> <p>Notwithstanding with the above provision, foreign investment shall be subject to following conditions:</p> <p>(i) An entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route.</p> <p>(ii) In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction/ purview of the clause no. (i) above, such subsequent change in beneficial ownership will also require Government approval.</p> <p>(iii) Both direct and indirect foreign investment in the Licensee Company shall be counted for the purpose of calculating total FDI.</p>

	<p>1.2 The LICENSEE shall also intimate any change in 'Substantial Equity Structure' at any later stage during the entire period of licence agreement. 'Substantial equity Structure' herein will mean 'an equity of 10% or more'.</p>	<p>(iv) The licensee Company/ Indian Promoters/ Investment Companies including their holding companies shall comply relevant provisions of extant FDI policy of the Government. While approving the investment proposals, the Government may take into accounts security concerns.</p> <p>(v) FDI shall be subject to laws of India and not the laws of the foreign country/countries. The Licensee shall comply with the relevant provisions of FDI policy of the Government and such modifications to the policy as may be issued from time to time.</p> <p>(vi) The words, mentioned hereinabove in Para 1.1, such as FDI, foreign equity, investment companies, FIPB, etc., shall have the same meaning as defined by Department for Promotion of Industry and Internal Trade (DPIIT) in its FDI Policy.</p> <p>1.2 The Licensee shall declare the Indian & Foreign equity structure (both direct and in-direct) in the Licensee company and submit a compliance report regarding compliance of FDI norms and security conditions on 1stday of January and 1stday of July of every year to the Licensor in Proforma as may be prescribed from time to time. This is to be certified by Company Secretary or Statutory Auditor, countersigned by duly authorized Director of the Licensee Company.</p> <p>1.3 The Licensee shall also ensure that:</p> <p>(i) Any changes in shareholding shall be subject to all applicable statutory permissions under Laws of India.</p> <p>(ii) The Licensee Company shall not hold any license under Unified License. In case it has any Unified License or obtains any Unified License by way of acquisition or merger, the License shall have to be migrated and merged to the aforesaid Unified License as per prescribed procedure.</p>
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		1.4 Change in the name of the Licensee Company, as per the provisions of the Indian Companies Act, 1956 or 2013, shall have to be intimated to the Licensor in writing along with certified copy of the name change certificate within 30 days from the date of issue of such certificate by Registrar of Companies.
2. Scope of the Licence	2.1 The LICENSEE shall be permitted to provide in its area of operation Voice Mail / Audiotex / Unified Messaging Service using MTNL / BSNL / Other Licensed Private Operators Network.	2.1 The LICENSEE shall be permitted to provide in its area of operation Voice Mail / Audiotex / Unified Messaging Service and Audio Conferencing service (as per SERVICE REQUIREMENTS No. TEC/SR/IT/ACS-01/02/JUN-20 or latest) using MTNL / BSNL / Other Licensed Private Operators Network. To remove any doubt, it is, hereby, clarified that the Voice Mail / Audiotex / UMS licensees are allowed to acquire customers only in the SDCA for which the licence has been granted.
4. Extension Of Licence	4.1 The LICENSOR may extend, if deemed expedient, the period of LICENCE by 5 years at one time, upon request of the LICENSEE, if made during 14 th year of the Licence period on terms mutually agreed. The decision of the LICENSOR shall be final in regard to the grant of extension.	4.1 No further extension of this license shall be permitted. The Licensee may migrate to Unified Licence either on expiry or anytime during the validity period of present license.
7. Provision of Service	7.2 From outside the SDCA the service will be allowed to be accessed on STD calls basis. The Service Provider could install his equipment within the SDCA for which Licence is granted.	7.2 From outside the SDCA the service will be allowed to be accessed on STD/ISD calls basis. The Service Provider could install his equipment within the SDCA for which Licence is granted.

<p>10.Suspension, Revocation or Termination of LICENCE.</p>		<p>The heading is changed to “Penalty, Suspension, Surrender, Termination/ Revocation of License”</p> <p>10.8 The Licensor may impose a maximum financial penalty of Rs. 20 Lakhs per occasion for violation of terms and conditions of license agreement. This penalty is exclusive of any other action as prescribed in this License Agreement.</p>
<p>17.Fees Payable</p>	<p>17.1 There will be no Entry Fee as well as License Fee. However, a Performance Bank Guarantee of Rs. 3 lakhs for each Licence shall be required.</p> <p>17.2 The LICENSEE shall be required to pay levy towards Universal Service Obligations (USO) as and when decided by the Government based on TRAI recommendations alongwith prescribed statements.</p> <p>17.3 The above nil licence fee has no relation to other mutual obligation(s) between the LICENSEE and any other Licensed Telecom Service Provider</p>	<p>17.1 An annual License fee as a percentage of Adjusted Gross Revenue (AGR) shall be paid by the Licensee service-area wise, from the date of issue of the amendment to the license agreement. The License fee shall be 8% of the AGR, inclusive of USO Levy which is presently 5% of AGR. Provided that from Second Year from the date of issue of this amendment, the License fee shall be subject to a minimum of One Lakh.</p> <p>17.2 The Licensor reserves the right to modify the above mentioned License fee as percentage of AGR any time during the currency of this agreement.</p> <p>17.3 Definition of ‘Gross Revenue’: The Gross Revenue shall include all revenue accruing to the Licensee on account of providing Audio Conferencing/ Audiotex/ Voice Mail services/ Unified Messaging Services and shall be inclusive of goods supplied, installation charges, application fee, late fees, sale proceeds of handsets (or any other terminal equipment etc.), use of its resources by others, revenue on account of interest, dividend, call charges, value added services, supplementary services, access or interconnection charges, revenue from permissible sharing or leasing of infrastructure, fees on account of annual maintenance contract and any other miscellaneous revenue, without any set-off for related item of expense, etc.</p> <p>17.3.1 Applicable Gross Revenue (ApGR):</p> <p>ApGR shall be equal to Gross Revenue (GR) of the licensee as reduced by the items listed below:</p>

	<p>including MTNL and BSNL and Central or State Government, Local or Statutory Body etc.</p>	<ul style="list-style-type: none"> (i) Revenue from operations other than telecom activities/ operations. (ii) Revenue from activities under a license/ permission issued by Ministry of Information and Broadcasting. (iii) Receipts from the USO Fund. (iv) List of other income* to be excluded from GR to arrive at ApGR <ul style="list-style-type: none"> a. Income from Dividend b. Income from Interest c. Capital Gains on account of profit of Sale of fixed assets and securities d. Gains from Foreign Exchange rates fluctuations e. Income from property rent f. Insurance claims g. Bad Debts recovered h. Excess Provisions written back <p>*Subject to conditions given in Annexure-VI</p> <p>17.4 Adjusted Gross Revenue (AGR):</p> <p>For the purpose of arriving at the "Adjusted Gross Revenue (AGR)", following shall be excluded from the Applicable Gross Revenue (ApGR):</p> <ul style="list-style-type: none"> a. PSTN/PLMN/GMPCS related call charges (Access Charges) paid to other eligible/entitled Telecommunication service providers within India; b. Goods and Service Tax (GST) paid to the Government if the Applicable Gross Revenue (ApGR) had included as component of GST. <p>17.5 Schedule of payment of ANNUAL LICENSE FEE and other dues:</p>
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		<p>17.5.1 License Fee shall be payable in four quarterly instalments during each financial year (FY) commencing 1st of April.</p> <p>17.5.2 The quarter in which the effective date of license falls, shall end on the usual end date of that quarter for the purpose of license fee. The quarters where the minimum license fee becomes applicable, and the last quarter of the license period, may not be of full three months, but of part period only.</p> <p>[Explanation:</p> <ul style="list-style-type: none"> (i) For license with effective date on 13th July, the quarter will end on 30th September. (ii) In such case the minimum license fee would become applicable w.e.f. 13th of July next year and the quarter shall end on the following 30th September. <p>17.5.3 The minimum license fee as per conditions 17.1, for the above part-periods, shall be charged on pro-rata basis, based on actual number of days in the part period of the Quarter.</p> <p>17.5.4 License Fee shall be payable in four quarterly instalments during each financial year (FY). Quarterly instalment of license fee for the first three quarters of a financial year shall be paid within 15 days of the completion of the relevant quarter. The AGR based license Fee shall be paid by the Licensee on the basis of revenue on accrual basis for the quarter, duly certified with an affidavit by a representative of the Licensee who is authorized by the Board Resolution coupled with General Power of Attorney. However, for the last quarter of the financial year, the Licensee shall pay the License Fee by 25th March on the basis of expected revenue for the quarter, subject to a minimum payment equal to the revenue share paid for the previous quarter.</p> <p>17.5.5 The Licensee shall adjust and pay the difference between the advance payment made and actual amount</p>
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		<p>duly payable for the last quarter of financial year within 15 days of the end of the quarter.</p> <p>17.5.6 The quarterly payment shall be made with an affidavit as at Annexure III together with a STATEMENT OF REVENUE SHARE AND LICENSE FEE separately for each service area in the Proforma prescribed at Appendix-II to Annexure-III, showing the computation of revenue and License fee payable. The aforesaid quarterly STATEMENTS of each year shall be required to be audited by the Auditors (hereinafter called Licensee's Auditors) appointed by the Licensee under Section 224 of the Companies' Act, 1956. The report of the Auditor should be in the prescribed form as per Appendix-I to Annexure-III.</p> <p>17.5.7 Any delay in payment of License Fee or any other dues payable under the License, beyond the stipulated period will attract interest at a rate which will be 2 % above the one-year Marginal Cost of Lending Rate (MCLR) of State Bank of India existing as on the beginning of the Financial Year (namely 1st April) in respect of the license fees or any other dues pertaining to the said Financial Year. The interest shall be compounded annually. A part of the month shall be reckoned as a full month for the purpose of calculation of interest. A month shall be reckoned as an English calendar month.</p> <p>17.5.8 Final adjustment of the License fee for the year shall be made on or before 30th June of the following year, based on the gross revenue figures or the minimum License Fee, which shall be submitted by the Licensee, duly certified by the AUDITORS of the Licensee in accordance with the provision of the Companies' Act, 2013.</p> <p>17.5.9 A reconciliation between the figures appearing in the quarterly statements submitted in terms of the Condition 17.5.4 of the License Agreement with those appearing in annual accounts shall be submitted along with a copy of the published annual accounts audit report</p>
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		<p>and duly audited quarterly statements within 7 (seven) Calendar days of the date of signing of the audit report. The annual financial account and the statement as prescribed above shall be prepared following the norms as prescribed in Annexure-IV. The statements and accounts submitted shall be assessed and verified by the Licensor and through its units namely Offices of Controller of Communication Accounts in respective service areas, as may be notified from time to time.</p> <p>17.5.10 All sums becoming due and payable as mentioned in this License Agreement shall be paid by the Licensee, service area wise, through e-transfers or demand draft or Pay Order payable at New Delhi, drawn on any Scheduled Bank, in favour of the Pay & Accounts Officer (HQ), DOT or at the designated office of the Controller of Communication Accounts in service areas as may be designated by the Licensor from time to time.</p> <p>17.5.11 The Licensee shall separately pay the access charges for carriage of calls originating in its network but carried and terminated in the other Telecom Service Providers' networks. The Licensee shall also separately pay charges for network resources obtained by the Licensee from other licensed service providers. This will be governed by mutual agreement and/ or determination of TRAI, if any.</p>
<p>18. Bank Guarantee:</p>	<p>18.1 The LICENSEE company shall submit Performance Bank Guarantee (PBG) of Rs.3 lakhs in the prescribed proforma (proforma for PBG is annexed with Licence Agreement), before signing the Licence Agreement for ensuring full compliance of license conditions. Initially, the PBGs valid</p>	<p>18.1 Performance Bank Guarantee: Performance Bank Guarantee (PBG) in prescribed format at Annexure-II of the license agreement shall be submitted separately for each service area for Rs. Sixty thousand, before signing the License Agreement, valid for one year, from any scheduled bank or public financial institution duly authorized to issue such bank guarantee, to cover violation of license conditions and to ensure the performance under the license agreement including compliance of instructions issued by the Licensor from time to time. The PBGs shall be maintained and kept valid by the licensee during the entire currency of the license agreement. However, the Licensor may increase</p>

	<p>for at least one year or beyond expected date of commissioning of the service, whichever is later and shall be renewed from time to time till the expiry of Licence as directed by the LICENSOR. The LICENSOR shall extend the validity period of the bank guarantee for similar terms at least one month prior to date of its expiry without any demand or notice from the LICENSOR on year to year basis. Any failure to do so, shall amount to violation of the terms of LICENCE and entitle the LICENSOR to encash the bank guarantee and to convert into a cash security without any reference to the LICENSOR and at his risk and cost. No interest or compensation whatsoever shall be payable by the LICENSOR on such encashment.</p> <p>18.2 Without prejudice to its rights of any other remedy, LICENSOR may en-cash Performance Bank</p>	<p>the value of PBGs whenever any demand is raised for non-compliance of terms and conditions of License to the extent it remains un-securitized by the existing PBGs, which shall be maintained till clearance of such demand by the licensee.</p> <p>18.2 Financial Bank Guarantee: The Existing Licensee shall submit Financial Bank Guarantee (FBG) of Rs. 20,000/- within 30 days from the date of issue of this amendment to the license agreement, valid for one year, from any Scheduled Bank or Public Financial Institution duly authorized to issue such Bank Guarantee, in the prescribed Proforma at Annexure V of this amendment. Subsequently, the amount of FBG shall be equivalent to the estimated sum payable equivalent to License fee for two quarters and other dues not otherwise securitized. The amount of FBG shall be subject to periodic review on six monthly basis by the Licensor and shall be renewed from time to time.</p> <p>18.3 Initially, the Bank Guarantees (FBG as well as PBG) shall be valid for a period of one year and shall be renewed from time to time. The Licensee, on its own, shall extend the validity period of the Bank Guarantees at least one month prior to date of its expiry without any demand or notice from the Licensor on year to year basis. Any failure to do so, shall amount to violation of the terms of the License and entitle the Licensor to encash the Bank Guarantees and to convert into a cash security without any reference to the Licensee at his risk and cost. No interest or compensation whatsoever shall be payable by the Licensor on such encashment.</p> <p>18.4 Where the Bank Guarantees have been encashed partially, the licensee on such occasions, shall restore the encashed guarantees to the full amount. Any failure to do so shall amount to violation of the terms and conditions of the license.</p> <p>18.5 Without prejudice to its rights of any other remedy, Licensor may encash Bank Guarantee (FBG as</p>
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	Guarantee in case of any breach in terms and conditions of the Licence Agreement by the LICENSEE.	well as PBG) in case of any breach in terms & conditions of the License by the Licensee.
19. Technical Conditions	<p>19.1 The technology for Voice Mail/Audiotex/ Unified Messaging Services shall be based on standards issued by TEC.</p> <p>19.2 TEC specification V/ATS.01/01.September, 1994 define the parameters of Audiotex Service, scope of service, its key element, service description and quality of service to be provided by the LICENSEE.</p> <p>19.3 TEC specification number V/VMS-01/02.September, 1994 defines the parameter of the Voice Mail Service, scope of service its key element its interface specification, service description and quality of service to be, by a LICENSEE.</p> <p>19.4 TEC specification No. GR/UMS-01/01.AUG 2000 define</p>	<p>19.1 The technology for Voice Mail / Audiotex / Unified Messaging/ Audio Conferencing Services shall be based on latest standards / service requirements issued by TEC, as amended or issued from time to time.</p> <p>19.2 TEC specification No. TEC/SR/IT/ACS-01/02 JUN-20 defines the parameters of <u>Audio Conferencing Service</u>, scope of service, its key element, its interface specification, service description and quality of service to be provided by the LICENSEE.</p> <p>19.3 TEC specification No. 61054:2021defines the parameters of <u>Audiotex Service</u>, scope of service, its key element, its interface specification, service description and quality of service to be provided by the LICENSEE.</p> <p>19.4 TEC specification No. 61064 : 2021defines the parameter of the <u>Voice Mail Service</u>, scope of service, its key element, its interface specification, service description and quality of service to be provided by a LICENSEE.</p> <p>19.5TEC specification No. GR/UMS-01/01.AUG 2000 define the parameters of <u>Unified Messaging Service</u>, scope of service, its key element, service description and quality of service to be provided by the LICENSEE.</p> <p>19.6The Licensee shall follow the above TEC specifications subject to modifications or updations from time to time. However, the terms and conditions mentioned in the license agreement shall override anything mentioned in the technical specifications.</p>

	the parameters of Unified Messaging Service, scope of service, its key element, service description and quality of service to be provided by the LICENSEE.	
20. The Applicable System	20.1 The equipment/system capable of providing Voice Mail/Audiotex/ Unified Messaging Services as per technical and quality requirement contained in the TEC specification V/VMS-01/02 September, 1994, and V/ATS.01/01. September, 1994 respectively.	20.1 The equipment/system capable of providing Voice Mail/Audiotex/ Unified Messaging Services/ Audio Conference services shall be as per technical and quality requirement contained in latest standard/ service requirements for the said services, as issued from time to time.
22. Interconnection with network operated by BSNL/ MTNL/ Other Licensed Telecom Service Providers	22.5 Prohibition of interconnection with other networks: Interconnection with any other private/public/value added network not having proper telecom licence would not be done by the LICENSEE without prior permission from the LICENSOR. Also, no other service than the one for which the licence is granted should be made available to the public on this network. The LICENSOR reserves the right to grant or not to	22.5 In case of Audio Conferencing services, the Audio Conferencing unit shall be connected to the Licensed Access Service provider's network like PSTN/ ISDN/ PLMN or IP network by using a combination of appropriate interface as per TEC standards. 22.6 Prohibition of interconnection with other networks: Calls originating from PSTN/PLMN/GMPCS/Internet Telephony networks should not be interconnected with those from Private/CUG networks by Audio Conferencing Unit of the Licensee.

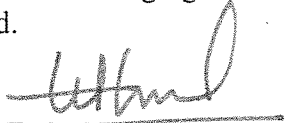
	grant such permission and also the right to impose conditions if the permission is granted. The LICENSEE will ensure that this condition is not violated by any of its subscribers.	
25.Obligations imposed on the LICENSEE.	25.1 The provisions of the Indian Telegraph Act 1885, the Indian Wireless Telegraphy Act 1933, and the Telecom Regulatory Authority of India Act, 1997 as modified from time to time or any other statute on their replacement shall govern this LICENCE.	25.1 The provisions of the Indian Telegraph Act 1885, the Indian Wireless Telegraphy Act 1933, and the Telecom Regulatory Authority of India Act, 1997, Information Technology Act, 2000 as amended from time to time or any other relevant Act shall govern this License.
27 Right to inspect.	<p>27.3 Voice Mail/Audiotex/ Unified Messaging Services licensee shall provide a watchdog terminal with access limited to unfiltered CDR file to the licensor/designated monitoring agencies</p> <p>27.4 The Voice Mail/Audiotex/ Unified Messaging Services provider shall make available all detailed information about the conference calls e.g. the parties in conference, date, time, duration of the conference etc. on demand, to licensing</p>	<p>27.3 The LICENSEE shall provide a watchdog terminal with access limited to unfiltered CDR/ IPDR file to the licensor/designated security agencies.</p> <p>27.4 The LICENSEE shall make available all detailed information about the conference calls e.g. the parties in conference, date, time, duration of the conference etc. on demand, to licensor or designated security agencies. The list of registered subscribers of Audiotex service provider shall also be given, on demand, to licensor or designated security agencies. The information shall be stored for at least one year period.</p> <p>27.5 The Licensee shall maintain log details including CDRs/IPDRs of all subscribers for services provided. These details shall be maintained for a minimum period of one year.</p>

	<p>authority. The list of registered subscribers of Audiotex service provider shall also be given, on demand, to licensing authority. The information shall be stored for at least two years period.</p>	
<p>29. Confidentiality of information:</p>	<p>29.1 The LICENSEE shall not employ bulk encryption equipment in its network. Any encryption equipment connected to the LICENSEE's network for specific requirements has to have prior evaluation and approval of the LICENSOR or officer specially designated for the purpose.</p>	<p>29.1 The Licensee shall not employ bulk encryption equipment in its network. Licensor or officers specially designated for the purpose may evaluate any encryption equipment connected to the Licensee's network. However, the Licensee shall have the responsibility to ensure protection of privacy of communication and to ensure that unauthorized interception of MESSAGE does not take place.</p>
<p>30. Prohibition of certain Activities by the LICENSEE</p>	<p>30.6 point-to-point conferencing and calling card facility shall not be provided by Voice Mail/ Audiotex/ Unified Messaging Service Licensees.</p> <p>30.7 Dial out facility shall not be used in whatsoever manner for any illegal by pass of STD/ISD traffic of any licensed access service providers. Voice</p>	<p>30.6 Point to point conferencing and calling card facility shall not be provided by the Licensee. However, Point-to-point conferencing services may be provided to the registered enterprises in India, subject to the following conditions: -</p> <ul style="list-style-type: none"> (a) The calls shall originate and terminate within India. (b) The complete routing/ switching of the Audio Conferencing calls should remain within India. (c) The Telephone Number resources used by the Licensee shall be taken ONLY from Licensed Service Providers in India. (d) There shall not be any illegal by pass of Telecom traffic for providing such conferencing services. The Licensee shall have to give an undertaking in this regard.

	<p>Mail/Audiotex/ Unified Messaging Service licensee shall have to give undertaking in this regard.</p>	<p>30.7 Dial out facility using resources of more than one access service provider may be used with the condition that STD/ISD traffic should not be bypassed.</p> <p>30.8 The services should not be used in whatsoever manner for any illegal by pass of STD/ISD traffic of any licensed access service provider.</p>
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2. This amendment comes into effect from 01.01.2022 and will be applicable to the dues which arise from the operations of the Licensee from the said date.

3. This amendment shall be part and parcel of the Voice Mail/Audiotex/ Unified Messaging Service licensee agreement and other Terms & Conditions shall remain unchanged.



(Rahul Yadav)
ADG(CS-I)

For and on behalf of President of India
Tel No.: 2303-6489

Copy to:

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

(Rahul Yadav)
(RAHUL YADAV)
सहायक महानिदेशक
Assistant Director General
दूरसंचार विभाग, भारत सरकार
Deptt. of Telecom, Govt. of India
नई दिल्ली/New Delhi

(Rahul Yadav)
(RAHUL YADAV)
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नई दिल्ली/New Delhi

(Proforma for Affidavit regarding details of calculation of “Revenue” and “License Fee”)

AFFIDAVIT

I, aged about years son of Shri, resident of, do solemnly affirm and state as under:

2. That I amof (Name of the Company), LICENSEE of Service inService Area and I am duly authorized by the resolutions dated Passed by Board of Directors of the Company to furnish affidavit on behalf of(Name of the Company).
3. That in compliance of **Condition**No.. of the License Agreement No. signed between the Company and the Department Of Telecommunications, for payment of License fee, a payment of Rs. (Rupees Is being made for the periodto The details of calculation of ‘revenue’ and License fee is as per **Appendix-II** (attached).
4. That the contents in para 2 & 3 and Statement made in **Annexure** ___ are true and correct to the best of my knowledge, based on the records of the company.

Deponent.

VERIFICATION:

Verified at _____ on _____ that the contents of paragraphs 1 to 3 of this Affidavit and attached ‘Statement of Revenue and License Fee’ as Annexure are true and correct to the best of my knowledge, no part of it is false and nothing has been concealed therefrom.

Deponent.

Format of Auditor's Report On Statement Of Revenue And License Fee

To

The Board of Directors

.....

.....

We have examined the attached Statement of Revenue and License Fee of(the name of the Licensee) for the quarter(s) ending _____. We have also examined the reconciliation of the cumulative figures for the quarter(s) ending _____ appearing in the Statement of Revenue and License Fee of the company with the figures appearing in the profit and loss account of the company for the year ended _____ which was audited by us. We understand that the aforesaid statement(s) (and the reconciliation) is /are to be furnished to the Central Government for assessment of the License fee payable by the company to the Government, in terms of the License agreement No..... signed between the company and the Department of Telecommunications.

We report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our view, the company has an adequate internal control system in relation to revenues which is commensurate with its size and the nature of its business. The system, in our opinion, provides reasonable assurance that there is no unrecorded revenue and that all revenue is recorded in the proper amount and in the proper period.
3. No amounts payable in respect of Goods and service tax or PSTN/toll/roaming charges were outstanding at the last day of the quarter(s) for a period of more than two months from the date they became payable, except for the following: ...
4. In our opinion and to the best of our knowledge and belief and according to the explanations given to us, the Statement has been prepared in accordance with the norms/guidelines contained in the said License agreement in this behalf and gives a true and fair view of the revenue and License fee payable for the period computed on the basis of the aforesaid guidelines except for the following:

* Strike off wherever not applicable.

(SIGNATURE)

APPENDIX-II to ANNEXURE-III

Format of Statement of Revenue and License Fee

_____ (Name and address of licensee)

Voice Mail/Audiotex/ UMS Service 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			
i.	Rentals			
ii	Activation Charges			
iii.	Airtime Revenue			
iv.	PSTN charges			
v.	Service Tax			
Vi	Service charges			
vii.	Income from lease/rental/AMC of items in 2(i) and 2(ii).			
viii.	Any other income/ miscellaneous receipt from service			
2	Income from Trading activity			
(i)	Sale of handsets (<u>Excluding GST</u>)			
(ii)	Sale of accessories etc. (<u>Excluding GST</u>)			
(iii)	Any other income/ miscellaneous receipt from			

	trading activity. (<u>Excluding GST</u>)			
(iv)	Goods and Service Tax (GST)			
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 Operations/Activities other than Telecom Operations/ Activities as well as revenue from activities under a licence from Ministry of Information and Broadcasting			
6	Any other receipt / Miscellaneous revenue.			
A	GROSS REVENUE OF THE Licensee COMPANY: (Add 1-6)			
B	LESS			
1	Revenue from operations other than telecom activities/ operations			
2	Revenue from activities under a license from Ministry of Information and Broadcasting			
3	Receipt from USO Fund			
4	Items of 'Other Income' as listed in Appendix-II-A To Annexure-III			

i.	Income from Dividend			
ii.	Income from Interest			
iii.	Capital Gains on account of profit of Sale of fixed assets and securities			
iv.	Gains from Foreign Exchange rates fluctuations			
v.	Income from property rent			
vi.	Insurance claims			
vii.	Bad Debts recovered			
viii.	Excess Provisions written back			
B	Total (1+2+3+4)			
C	APPLICABLE GROSS REVENUE (ApGR) (A-B)			
D	DEDUCT:			
1	Charges actually paid to other Telecom Service Provider(s) (Operator-wise)			
2	GST paid to the Government			
D	TOTAL DEDUCTIBLE REVENUE (1+2)			
E	ADJUSTED GROSS REVENUE (C-D)			
	REVENUE SHARE @ ----- ----- OF ADJUSTED GROSS REVENUE			

NORMS FOR PREPARATION OF ANNUAL FINANCIAL STATEMENTS

- Accounts shall be maintained separately for each telecom service operated by the Licensee company.
- Any category of accrued revenue, the amount of which exceeds 5% of the total accrued revenue, shall be shown separately and not combined with any other item/category.
- Accrued Revenue shall indicate:
 - (a) All amounts billable for the period.
 - (b) Any billings for previous years that had been omitted from the previous years' P&L Accounts.
 - (c) Any non-refundable deposits collected from the customers/franchisees to the extent these are credited to P&L Account for the year.
- Subsidiary registers/ledgers shall be maintained for each item given above so as to enable easy verification.
- Service revenue (amount billable) shall be shown gross and details of discount/rebate indicated separately.
- Security or any other Deposits taken from the subscriber shall be shown separately, for each category, and the amount that has fallen due for refund but not yet paid also disclosed under two categories, namely:
 - Up to 45 days
 - More than 45 days.
- Goods and Service Tax billed, collected and remitted to the Government shall be shown separately.
- Details of Income from sales of goods shall be furnished indicating the income and number of items sold under each category. Method of inventory valuation used shall also be disclosed along with computation of cost of goods sold.
- Sales shall be shown gross and details of discount/rebate allowed and of sales returns shall be shown separately.
- Income from interest and dividend shall be shown separately, without any related expenses being set-off against them on the income side of the P&L Account.
- Increase/decrease of stock shall be shown separately.
- Details of reversal of previous years' debits, if any, shall be shown component-wise, under the miscellaneous head (e.g. Bad debts recovered etc.)
- Item-wise details of income that has been set off against corresponding expenditure, shall be shown.

Proforma for Financial Bank Guarantee

To

The President of India

In consideration of the President of India (hereinafter referred to as 'the Authority') having agreed to grant a License for Audiotex/ Voicemail/ UMS Service for Service forService Area of the said License to M/s _____ of _____ (hereinafter called 'the Licensee') to establish, maintain and operate the authorized service(s) (hereinafter called 'the Service') in the Service Area as per License No. _____ dated _____ (hereinafter called 'the said License') on the terms and conditions contained in the said License, which inter-alia provides for production of a Bank Guarantee to the extent of Rs. _____ (in words _____) under the said License by way of security for payment of the said License fee as well as such other fees or charges required to be paid by the Licensee under the License. We _____ (indicate the name and address and other particulars of the Bank) (hereinafter referred to as 'the Bank') at the request of the Licensee hereby irrevocably and unconditionally guarantee to the Authority that the Licensee shall pay all the dues, including but not limited to, the License fee etc. to the Authority.

2. We, the Bank, hereby undertake to pay the Authority an amount not exceeding Rs.....(Rupees.....only) against any loss or damage caused to or suffered or would be caused to or suffered by the Authority by reason of any failure of the Licensee to extend the validity of the guarantee or give a fresh guarantee in lieu of existing one in terms of the License Agreement, pay all the above mentioned fees, dues and charges or any part thereof within the periods stipulated in the License.

3. We, the Bank, hereby further undertake to pay as primary obligor and not merely as surety to pay such sum not exceeding Rs. _____ (Rupees _____ Only) to the Authority immediately on demand and without demur stating that the amount claimed is due by way of failure of the Licensee to pay any fees or charges or any part thereof in terms of the said License.

4. WE, THE BANK, DO HEREBY DECLARE AND AGREE that the decision of the Authority as to whether Licensee has failed to pay the said License fees or any other fees or charge or any part thereof payable under the said License and as to the amount payable to the Authority by the Bank hereunder shall be final and binding on us.

5. WE, THE BANK, DO HEREBY DECLARE AND AGREE that the

(a) Guarantee herein contained shall remain in full force and effect for a period of Two Years from the date hereof and that it shall continue to be enforceable till all the dues of the Authority and by virtue of the said License have been fully paid and its claims satisfied or discharged or till Authority satisfies that the terms and conditions of the said License have been fully and properly carried out by the said Licensee and accordingly discharged this guarantee.

(b) The Authority shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said License or to extend time of performance of any obligations by the said Licensee from time to time or to postpone for any time or from time to time any of the powers exercisable by the Authority against the said Licensee and to forbear or to enforce any of the terms and conditions relating to the said License and we shall not be relieved from our liability by reason of any variation or extension being granted to the said Licensee or forbearance act or omission on the part of the Authority or any indulgence by the Authority to the said Licensee or to give such matter or thing whatsoever which under the law relating to sureties would but for this provision, have effect of so relieving us.

(c) Any claim which we have against the Licensee shall be subject and subordinate to the prior payment and performance in full of all the obligations of us hereunder and we will not without prior written consent of the Authority exercise any legal right or remedy of any kind in respect of any such payment or performance so long as the obligations of us hereunder remains owing and outstanding.

(d) This Guarantee shall be irrevocable and the obligations of us herein shall not be conditional of any prior notice by us or by the Licensee.

6. We, the BANK, undertake not to revoke this Guarantee during its currency except with the previous consent of the Authority in writing.

7. We, the Bank agree that this guarantee may be invoked on a number of occasions for part amounts, with the balance standing in favour of the Authority, but so that the total amount payable hereunder shall not exceed Rs.....

In case where the Bank Guarantee issuing branch is not located at the station/city as required by the Licensor, any notice for invocation, sent by Licensor through Fax to the branch of the Bank issuing this Guarantee, with an ink signed copy to a local branch in the service area of the Licensee, namely (to be designated by the bank at station/city prescribed by the Licensor) within the validity period shall be deemed to be a valid notice on the Bank for invocation of this Bank Guarantee.

8. Notwithstanding anything contained above, our liability, under the Guarantee shall be restricted to Rs..... and our Guarantee shall remain in force until.....year from the date hereof. Unless a demand or claim under this Guarantee is made on us in writing within this date i.e.

.....all your rights under the Guarantee shall be forfeited and we shall be released and discharged from all liabilities thereunder.

Dated _____ day _____ for _____
(Name of the Bank)

Witness:

1..... 2.....
.....

ANNEXURE-VI

List of other income to be excluded from GR to arrive at ApGR

Sl. No.	Item/ Head of 'Other Income'	Description and conditions applicable
a.	Income from Dividend	<p>Income from dividend is return on investment made by the company. Such investment is made out of surplus funds available with the company. Companies Act, 2013 and Accounting Standard-9 classified dividend income as 'other income' i.e., distinct from the core operations of the entity.</p> <p>Therefore, income from dividend shall not be part of ApGR for the purpose of computation of LF.</p>
b.	Income from Interest	<p>Income from interest is return on investment made by the company in bank deposits, corporate deposits, debentures etc. Such investment is made out of surplus funds available with the company. Also sometimes, Licensee receives interest from Tax Authorities on advance tax or refundable tax. Companies Act, 2013 and Accounting Standard-9 classified interest income as 'other income' i.e., distinct from the core operations of the entity.</p> <p>At the same time, Licensee accepts refundable deposits from customers, telecom vendors and other Licensees. These deposits essentially are part of telecom operations. The interest income earned on such amounts should be recorded and certified by statutory auditors.</p> <p>Therefore, income from interest shall not be part of ApGR for the purpose of computation of LF. However, interest earned on refundable deposits from customers, telecom vendors and other Licensees shall be considered in ApGR for the purpose of computation of LF. Also, any refundable deposit received by the Licensee on the strength of telecom service viz. linkage with tariff, advance rental etc. shall also have similar treatment for inclusion in ApGR.</p>
c.	Capital gains on account of profit on sale of fixed assets and securities	<p>Capital gain earned by the Licensee on the account of profit on sale of assets and securities, are of from investing activities instead of from telecom operations. Therefore, the revenue on account of sale of immovable property, securities, warrants or debt instruments, other</p>

		items of fixed assets shall not be part of ApGR for the purpose of computation of LF.
d.	Gains from Foreign Exchange rates fluctuations	<p>Foreign Exchange differences arise when actual rates at the time of settlement differs from those at which they were initially recorded in the books. The provisions contained in the Accounting Standard-11 require a notional entry for exchange differences in respect of liabilities at the closing date of the AFSs. The foreign exchange gains reflected in the profit and loss statement of Licensee could arise from reduction of payment liability or increase in the value of foreign exchange accounts receivables. In other words, foreign exchange fluctuation is a contingency which has impact on every business which may have something to do with foreign exchange and is not specific and unique to telecom business.</p> <p>Therefore, revenue/profit arising out of upward valuation or devaluation on account of fluctuation of foreign exchange shall not be part of ApGR for the purpose of computation of LF.</p>
e.	Income from property rent	<p>Licensee may rent or lease part of their properties and earn revenue in the form of rent. Some Licensees as part of staff welfare measure provides staff quarters to their employees and receive rent from such staff. Revenue from rent cannot be distinctly treated as only from telecom business. Therefore, revenue/income from property rent shall not be part of ApGR for the purpose of computation of LF. In case property is let out for 'establishing, maintaining and working of telecommunication', then revenue/income from such rent shall be considered in ApGR for the purpose of computation of LF.</p>
f.	Insurance claims	<p>A receipt from Insurance company against loss of property/fixed assets is basically a reimbursement in nature for the loss occurred by the Licensee. Receipt of insurance claim from insurance company shall not be part of ApGR for the purpose of computation of LF.</p>
g.	Bad Debts recovered	<p>Bad debt is an amount owed by a debtor that is unlikely to be received/realized and recognized as an expense in the books of accounts. Bad Debts recovered represents reversal of debits (i.e. bad debts) appearing in the profit and loss account of previous year(s). This basically represents an adjustment to the amount of an expense (i.e. bad debts) as estimated in an earlier year(s) in which it had already recorded as part of revenue from operations.</p>

		Therefore, income on account of bad debts recovered shall not be part of ApGR for the purpose of computation of LF.
h.	Excess Provisions written back	<p>Excess Provisions written back represent the reversal of excess provision made for any liability or expenses in any previous year. On settlement, this excess provision is written back into books of accounts as other income. This basically represents an adjustment 60 instead of actual revenue earned.</p> <p>Therefore, income on account of excess provisions written back shall not be part of ApGR for the purpose of computation of LF.</p>