

Government of India
Ministry of Communications
Department of Telecommunications
(Access Services Wing)

12th Floor, Sanchar Bhawan, 20 Ashoka Road, New Delhi – 110 001

File No: 800-09/2022-AS.II

Dated: 31.08.2023

To,

All UAS/ UL/ UL (VNO) Licensees

Subject: Provisioning of telecommunication services by the licensees through Franchisee, Agents and Distributors {Point of Sale (PoS)}.

With increasing digitalization of social-economic activities in the country, the use of telecom resources, including mobile services, is increasing rapidly for availing the online services. It has come to the notice that sometimes mobile connections, obtained by fraudsters in connivance with Point of Sale (PoS), are being misused to commit cybercrime/ frauds.

2. As per the licensing provisions, the licensee may appoint franchisee, agents and distributors {hereinafter individually as well as collectively referred as '**Point of Sale (PoS)**'} for provision of services permitted to them under their respective authorizations/ licenses. Accordingly, it has been decided to regulate the provisioning of services by the licensees through PoS.

3. The relevant conditions in Unified License (UL) for provisioning of services by the licensee through PoS are as follows:

"Clause 6.1 of Part-I of UL, inter-alia, states that, "For provision of the service by the Licensee, the Licensee may appoint or employ franchisee, agents, distributors and employees."

Clause 6.2 of Part-I of UL, inter-alia, states that, "The Licensor shall have the right to direct the Licensee to warn, penalize or terminate the services of the franchisee or agent or distributor or employee (servant), after considering any report of conduct or antecedents detrimental to the security of the nation."

Clause 39.17(i) of Part-I of UL, inter-alia states that, "The Licensee shall ensure adequate verification of each and every customer before enrolling him as a subscriber; instructions issued by the Licensor in this regard from time to time shall be scrupulously followed."

Similar clauses exist in UASL/ UL (VNO) licenses also.

4. As per the licensing provisions, it is the responsibility of the licensee to ensure adequate verification of customers before enrolling them as subscribers and activating the mobile connections. However, the licensee may appoint PoS to enroll customers.
5. For provisioning of telecommunication services, if a licensee is appointing PoS to enroll customers, then in the interest of the security of the nation, it shall be **mandatory** for the licensee to register such PoS (each franchisee, agent & distributor to be registered separately) before permitting them to enroll the customers.
6. Each licensee shall ensure indisputable verification of each and every PoS before permitting them to enroll the customers. For this purpose, the licensee shall obtain following documents and information from PoS: -
 - a. Corporate Identity Number (CIN), Limited Liability Partnership Identification Number (LLPIN) or Business License, or trade/ Registration Number, or Incorporation Certificate or Certificate issued by authorities
 - b. Aadhaar or Passport of the authorized signatory or person who is entering into agreement with the licensee. **(mandatory)**
 - c. Permanent Account Number (PAN) of the authorized signatory or person who is entering into agreement with the licensee
 - d. Goods & Services Tax (GST) Registration Certificate
 - e. Unique PoS Identification (PoS ID) number (in case the PoS is already registered through the process mentioned herein)
 - f. Photograph of the authorized signatory or person who is entering into agreement with the licensee
 - g. Address of the place of business/ working of PoS **(mandatory)**
 - h. Local residential address of the authorized signatory or person who is entering into agreement with the licensee. **(mandatory)**
 - i. Any other documents/ information, as deemed fit, for identification of PoS by licensee
7. If documents mentioned at 6(a), (c), & (d) are not available with the PoS on the date of identification by licensee, then affidavit shall be obtained from PoS about non-availability of the same on that particular date. As and when these documents become available, PoS shall submit such documents to the licensee immediately.
8. After indisputable identification of PoS through above mentioned information and documents, the licensee shall also authenticate PoS (the authorized signatory or person who is entering into agreement with the licensee) using biometrics which includes facial, finger

print and iris scan or any other biological attributes. For this purpose, the licensee may use Aadhaar based e-KYC services of UIDAI. The licensee shall also undertake the physical verification of the addresses declared by PoS {as mentioned in 6(g) & (h)} and capture location coordinates during the physical verification. In case of change of address, PoS shall inform to the licensee immediately and the new address of the PoS shall also be physical verified by licensee.

9. On completion of identity and address verification, the licensee shall sign the written agreement(s) with PoS i.e. with each franchisee, agent & distributor separately. In case, there is inter-se relationship among franchisee, agent & distributor, it shall be clearly specified in the written agreement(s) signed with the licensee. However, in case of J&K, Assam and North East LSAs, existing guidelines of police verification shall be followed before signing the written agreement with PoS(s). The written agreement(s) shall also have specific provisions relating to enrolment of customers, scope and duties of a PoS (i.e., enrolment of new customer, requests for SIM change, SIM up-gradation, recharge/ billing, and MNP etc.), area of operations of PoS (limited within LSA), penal actions for violations including termination of agreement(s) etc.

10. The licensee shall ensure that a PoS shall not delegate any of its activity (i.e. scope, roles, duties and responsibilities etc.) exercised under the written agreement to any other person (natural or otherwise).

11. After signing of the agreement(s), if the existing PoS ID is not available, then the licensee shall assign a new unique 'PoS ID' to PoS which shall be unique for all the licensees across all the LSAs. Only after allocation of PoS ID, the licensee shall allow PoS to enroll customers as per their written agreement and also intimate the same to the concerned LSA unit. The unique PoS ID shall be made available by all the licensees across all the LSAs on real time basis. It is the joint responsibility of all the Licensees to develop a system and mechanism for generation and sharing of unique PoS ID on real time basis.

12. The licensee shall also maintain an online supply-chain management system of SIM cards which shall be updated on real time basis by each PoS and employee of the licensee. It shall include SIM number - MSISDN relationship also. A complete trail about all the movement of SIM cards i.e., from origination till it reaches to the customers, shall be provided to the LEAs or licensor, as and when sought by them.

13. If, any of the information is found false; or documents provided by PoS during registration is found forged; or directions for termination are received from LEAs/ LSAs, the agreement with such PoS shall be terminated and PoS ID shall also be blocked within 24 hours of such acknowledgement. All licensees shall ensure that such PoS shall not be able


to enrol any customer after the blocking of PoS ID and all the customers enrolled by such PoS shall be re-verified. The details of such terminated PoS shall be shared by the licensee in real time manner to all the licensees across all the LSAs. In addition to this, the same PoS shall also be terminated by all licensees across all LSAs, and action as per law of the land shall be initiated by the licensee against such PoS. The licensee(s) shall submit the action taken report regarding termination of such PoS to the concerned LEA(s)/LSA(s) within 3 days. Such terminated PoS shall also be immediately blacklisted by each licensee across all the LSAs; and further it shall not be able to register across any of the licensees and LSAs for a period of 3 years from the date of such backlisting.

14. As mentioned in para 4 above, it is the responsibility of the licensee to ensure adequate verification of customers before enrolling them as subscribers and activating their mobile connections. Accordingly, the licensees shall use suitable advanced IT tools to detect any unusual/ suspected activities of PoS/ customer, if done by them, so that purpose of adequate verification of customers and bonafide usage of mobile connections shall not be defeated.

15. These instructions shall be applicable with effect from **01.10.2023**. If the licensee(s) permit any new PoS i.e., after 30.09.2023, to enrol customers without registration, then a financial penalty of Rs. 10 lakh per PoS per instance shall be imposed by concerned LSA on each licensee. All mobile connections activated through such un-registered PoS shall also be re-verified as per the existing instructions. In case of all the existing PoS (PoS existing as on 30.09.2023), each existing PoS shall be registered as per these instructions by **30.09.2024**.

16. In case, if a Licensee appoints a PoS for doing recharge/ billing activities only and not for enrolling the customers, then there is no requirement of registration of such PoS as per these instructions. However, the licensee shall maintain the list of such PoS and provide the same to LEAs/ LSAs.

17. A complete database containing details of new and existing PoS registered by the licensee as per these instructions may also be shared with LSAs/ LEAs in real-time manner.


(Suresh Kumar)
ADG (AS-II)

Copy to:

1. DG (T), DoT HQ, New Delhi- for circulation among LSA units and also strict monitoring and compliance of these instructions.
2. CEO, UIDAI- for kind information.
3. Secretary, TRAI- for kind information.
4. DDG (SA), DDG (AI&DIU) DoT HQ- for kind information and necessary action please.
5. JS (CIS), MHA- for kind information and necessary action please.