

Government of India

TELECOM ACCOUNTS AND FINANCE MANUAL

**Department of
Telecommunications**

Ministry of Communications and Information Technology

TELECOM ACCOUNTS AND FINANCE MANUAL

First Edition
(October 2007)

Department of Telecommunications
Sanchar Bhavan; 20, Ashoka Road
New Delhi – 110 001

***Dedicated to
all those sincerely striving for
excellence and purity in their day to
day work***



मंजु माधवन
MANJU MADHAVAN

सदस्य (वित्त) एवं

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संचार भवन, २०, अशोक रोड़,
नई दिल्ली-११० ००१
Government of India
Ministry of Communications &
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FOREWORD

For smooth and coherent operation, an organization needs to work as per a blueprint based on its long-term goals. For this, its personnel at various levels should have ready access to precisely formulated and clearly laid down objectives, policies and procedures relevant to their work.

These axiomatic truths assume still greater relevance for government organizations functioning within a democratic set up. The government servants working in them are not only responsible for performing as per the objectives and rules laid down for them, but are also expected to be answerable for their actions (or inaction) to the people through various institutions and mechanisms specified in the Constitution.

The department of telecommunications, owing to the very nature of the subject, has been in the throes of extremely rapid and phenomenal changes, which are also expected to continue into the foreseeable future. Therefore it is particularly important that its personnel have access to a reliable and up-to-date manual of standing orders to guide them in their varied and complex tasks.

This Manual, will fulfill a much-felt need by bringing together a large amount of relevant information in one volume. The accounts and finance officials of this department shall find it useful both as a source of rich information about their work, and as a working guide to enhance the quality of their output.

I wish to express my sincere appreciation for the enormous efforts put in by Shri Hari Prakash Mishra, DDG (WPF), and Shri Rajeev Prakash, Director (WF), to complete this difficult task and deliver a quality product within a short period of time. I hope this will also pave the way for eventual codification of the duties, functions and procedures in the Department.


(MANJU MADHAVAN)

08th October 2007.



हिन्दी का मान : राष्ट्र का सम्मान

भारत सरकार
संचार और सूचना प्रौद्योगिकी मंत्रालय
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Message

I am glad that the Finance Wing, with the concerted efforts of DDG (WPF) and his team, has been able to bring out, for the first time under the post-liberalisation set up, the **Telecom Accounts & Finance Manual**, a compilation of rules and orders relevant for the A & F personnel of the Department.

This indeed is a step in the right direction, which I am confident will go a long way in being of immense help to the Accounts & Finance personnel.

I place on record my deep appreciation for the excellent work and all the effort that has gone into it to make it happen.

8th October 2007

(S.A. TIRMIZI)
Advisor (Finance)



हिन्दी का मान : राष्ट्र का सम्मान

IndiaBroadband 2007
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Preface to the First Edition

The Department of Telecommunications had several manuals and financial handbooks until 2000. These mainly catered to its requirements as an operator, and hence lost much of their relevance in the post-*Bharat Sanchar Nigam Limited* scenario. Their usefulness got further corroded and limited because of non-revision and prolonged non-availability.

Since 1994, the policy of liberalization pursued by the department has brought about major changes in the Indian telecommunications sector. These include unprecedented growth of telecom services, introduction of new technologies and establishment of institutions like the TRAI, TDSAT and USO Fund. All these developments have greatly influenced the roles, duties and responsibilities of DOT's accounts and finance personnel, who have keenly felt the absence of a reliable reference volume just when they needed it the most to holistically understand the fast-changing realities and effectively manage their responsibilities having substantial legal and financial implications.

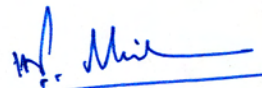
It was against this backdrop in March this year that our Member (Finance), *Smt. Manju Madhavan*, entrusted the work of compiling a Manual for the Accounts & Finance Wing of DOT to DDG (WPF). Since then we have gathered an enormous quantity of material from diverse sources, screened it for suitability and subjected it to extensive verification. The information has finally been organized in *office-wise* chapters, with related orders and circulars arranged category-wise and in chronological order – to give the reader a historical perspective and also help him in deciding cases spanning periods involving different rules and orders. The *first drafts* of chapters 3 to 5, 7 and 8 were also got vetted by the respective Branch Officers.

The resultant Manual brings to the reader relevant and reliable knowledge in the form of opinions, facts, instructions, rules, orders, precedents and extracts from statutes, files and other documents. It is expected to improve compliance with prescribed policies, norms and rules. It is being released presently in PDF format, and can thus be widely used to disseminate knowledge and generate awareness about the many and varied tasks and functions being performed by the Accounts & Finance personnel in DOT.

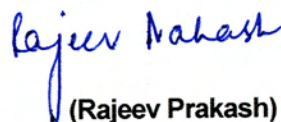
The Manual in its present form would not have come into existence but for the vision of our Member (Finance). We thank her for having given us this opportunity to be of some service to the accounts & finance family of the department. Our thanks are also due to *Smt. Shaukat Ara Tirmizi*, Advisor (Finance), and to *Smt. Kalyani Negi*, DDG (Accounts), *Sh. A.S. Bhole*, DDG (FEB), *Sh. B.B. Singh*,

DDG (LF), *Sh. P.K. Sinha*, DDG (TPF) and *Smt. A.G. Gulati*, Joint Administrator (USOF-Finance) for their valuable inputs and suggestions. Finally, we record our appreciation of the services rendered by *Smt. Chandralekha Chand* and *Sh. A.K. Banerjee*, our personal staffs, in bringing out the volume in time.

Despite our most strenuous efforts, some errors and omissions would have escaped our notice. Readers may kindly inform us about them through email at taf.manual@yahoo.com. They may also email any material inputs, including suggestions and comments, calculated to make the next edition of the Manual better and more useful.



(Hari Prakash Mishra)
Deputy Director General (WPF)



(Rajeev Prakash)
Director (WF)

Dated the 8th October 2007 at New Delhi.

***We, the People of India,
Having solemnly resolved to constitute India into a
Sovereign Socialist Secular Democratic Republic
and to secure to all its citizens:
JUSTICE, social, economic and political;
LIBERTY of thought, expression, belief, faith and
worship;
EQUALITY of status and of opportunity;
And to promote among them all
FRATERNITY assuring the dignity of the individual and
the unity and integrity of the Nation;
In Our Constituent Assembly this twenty-sixth day of
November, 1949, do HEREBY ADOPT, ENACT AND GIVE
TO OURSELVES THIS CONSTITUTION***

- Preamble to the Constitution of India

The only sure bulwark of continuing liberty is a government strong enough to protect the interests of the people, and a people strong enough and well enough informed to maintain its sovereign control over the government.

Franklin D. Roosevelt

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Sometimes when I consider
 what tremendous
 consequences come from little things...
 I am tempted to think...
 there are no little things...

- Bruce Barton

Part I

Introduction

***When we do the best we can,
we never know what miracle is wrought
in our life, or in the life of another***

– Helen Keller

CHAPTER 1

TELECOMMUNICATIONS IN INDIA

A. The Ministry of Communication and Information Technology

The Ministry of Communication and Information Technology, Government of India, is the apex body for overseeing telecommunications in the country. It is headed by a Union Minister, who is assisted by a Minister of State and a well-established organizational base to effectively discharge the onerous duties, functions and responsibilities of his office.

As per the *Government of India (Allocation of Business) Rules, 1961*, there are at present three departments under the Ministry, viz., the Department of Telecommunications (DoT), the Department of Posts (DoP) and the Department of Information Technology (DIT).

The *Rules* also lay down the distribution of subjects amongst these three departments. The initial *Order* prescribing the *Rules* is produced in the box below. It was signed by Shri Rajendra Prasad, the first President of independent India.

<p>RASHTRAPATI BHAVAN NEW DELHI</p> <p>January 14, 1961/ Pausa 24, 1882 (S)</p> <p>ORDER</p> <p>The Government Of India (Allocation Of Business) Rules</p> <p>In exercise of the powers conferred by clause (3) of article 77 of the Constitution and in super session of all previous rules and orders on the subject the President hereby makes the following rules for the allocation of the business of the Government of India.</p> <ol style="list-style-type: none"> 1. Short Title - These rules may be called the Government of India (Allocation of Business) Rules, 1961. 2. Allocation of Business - The business of the Government of India shall be transacted in the Ministries, Departments, Secretariats and Offices specified in the First Schedule[@] to these rules (all which are hereinafter referred to as "departments"). 3. Distribution of Subjects – <ol style="list-style-type: none"> (1) The distribution of subjects among the departments shall be as specified in the <u>Second Schedule</u> to these rules and shall include all attached and subordinate offices or other organizations including Public Sector Undertakings concerned with its subjects and sub-rules (2), (3) and (4) of this rule..... <p style="text-align: right;">RAJENDRA PRASAD</p> <p style="text-align: right;">PRESIDENT</p>
--

@: Printed as *Annexure I* to this chapter.

B. The Department of Telecommunications

Up to the early eighties the *Ministry of Communications* had under its control *The Overseas Communications Service* (later, VSNL) and a composite *Indian Posts and Telegraphs Department*. The former was responsible for international telecom operations and the latter for inland postal and telecommunications services.

The *Indian Posts and Telegraphs Department* was managed by the *P&T Board* headed by its Chairman, who was also the Director General of Posts and Telegraphs (DGP&T) and the Secretary, Ministry of Communications.

With effect from 31st December 1984, the P&T department was divided into two independent departments, viz., the Department of Posts, and the Department of Telecommunications (DoT), headed by respective Secretaries. Major policy and operational decisions were to be taken by the respective Boards having functional *Members*.

In 1986, the Overseas Communications Service was converted into Videsh Sanchar Nigam Ltd. (VSNL), and the two key operative units of DoT – Delhi Telephones and Bombay Telephones – into Mahanagar Telephone Nigam Ltd. (MTNL). Both VSNL and MTNL were established under the Indian Companies Act of 1956.

In April 1989, the DoT superstructure was further modified by upgrading the Telecom Board to the level of Telecom Commission, with the Secretary, DoT, functioning as the Chairman of the Telecom Commission. More details on the Telecom Commission are given in paragraph C below, while information about the current pay-scales of DOT-officers is in *Annexure-F*.

The process of opening up of the Indian telecom sector to private enterprise commenced in 1991 when the government separated fixed and value added services, permitting private operators to enter the market in both the segments.

A new national Telecom Policy was framed by the government in May 1994, and a regulatory authority (Telecom Regulatory Authority of India, or TRAI) established in 1997. Thus the regulatory function was for the first time separated from the policy and operating functions. In March 1999 the government announced the new National Telecom Policy, called NTP-99.

As a part of the continuing process of opening up of the sector, and in pursuance of NTP-99, the Department of Telecom Services (DTS) and Department of Telecom Operations (DTO) were carved out from DoT in October 1999 for providing telecommunications services in the country. The process culminated in the corporatization of DTO and DTS into an operating company called the Bharat Sanchar Nigam Ltd. (BSNL) from 1st October 2000.

C. The Telecom Commission

The Telecom Commission was set up by the Government of India on April 11, 1989 with large administrative and financial powers to effectively deal with multifarious problems concerning growth of telecommunications. It replaced the erstwhile Telecom Board and had a much broader mandate. A copy of the gazette notification setting up the Commission is reproduced in *Annexure B* at the end of this chapter.

The Commission continues to exist to date and comprises of a chairman, four full time members that are *ex-officio* secretaries to the Government of India in the Department of Telecommunications, and four part-time members who are secretaries to the Government of India in other departments.

The part-time members are the Secretary (Information Technology), Secretary (Finance), Secretary (Planning Commission) and Secretary (Industrial Policy and Promotion). The Secretary, Department of Telecommunications, as the chief executive officer of the department, heads the Commission as its chairman.

The major functions of Telecom Commission include formulation of telecommunications policy, licensing of telecommunications services, assignment, monitoring and control of wireless spectrum, administrative control of telecom public sector units (PSUs), research, development and standardization of telecommunications equipment and techniques, and cooperation with various international telecommunications bodies.

The financial powers of the Telecom Commission, its Chairman, and its Members are given at the end of this chapter in *Annexures C, D and E* respectively.

D. Wireless Planning and Coordination Wing

The WPC Wing of the Department of Telecommunications, created in 1952, is the national radio regulatory authority responsible for spectrum engineering, planning and allocation; frequency coordination; and assignment, administration, monitoring and enforcement of wireless licenses. It is headed by the Wireless Adviser to the Government of India.

WPC is divided into major sections like Licensing and Regulation (LR), New Technology Group (NTG) and Standing Advisory Committee on Radio Frequency Allocation (SACFA). The last named makes recommendations on major frequency allocation issues, formulation of the National Frequency Allocation Plan (NFAP), and various issues related to International Telecom Union (ITU). It also sorts out problems referred to the Committee by various wireless users, and gives *site clearance* of important wireless installations in the country.

The Wireless Monitoring Organization is the field organization of the WPC Wing. It provides essential inspection and other technical support for spectrum management with a view to ensuring interference-free operation of all wireless networks, ensuring adherence to assigned technical parameters and licensing conditions and also fulfilling the international obligations. Recently the WPC has decentralized some of its licensing functions by creating five field offices called the Regional Licensing Offices, with headquarters at Chennai, Delhi, Kolkata, Shillong and Mumbai.

E. Telecom Engineering Centre (TEC)

The Telecommunications Engineering Centre (TEC) is an *attached office* of the Department of Telecommunications (DoT) having its headquarters in New Delhi.

It is a specialized technical body whose major functions include preparing standards and specifications for harmonious growth of the Indian telecom network, carrying out evaluation of equipment and services, according approvals for equipment, technology and services, studying new technologies and services and giving technical advice to DoT to facilitate their introduction in the Indian network. It also renders technical advice to TRAI and TDSAT on request.

Some of the operational activities of TEC have been decentralized, and the Regional Coordination Division of TEC (HQ) coordinates the working of various Regional Centres of TEC that have been established to facilitate testing of equipment and of licensed service networks. The Centres are located at respective regional headquarters in Bangalore, Kolkata, Delhi and Mumbai to cover the entire country. The 'type approval certificates' are however issued centrally by the Type Approval Unit of TEC under the Regional Coordination Division at New Delhi.

F. Telecom Regulatory Authority of India

The entry of private service providers in 1992 brought with it the inevitable need for an independent regulator; more so since DoT continued as the incumbent operator right till October 2000, when BSNL was created.

The Telecom Regulatory Authority of India (TRAI) was accordingly established through an Act of Parliament (24 of 1997) and started functioning from 20th February 1997. The TRAI Act was amended in 2000 to bring about certain important changes in its constitution, including the creation of an independent dispute settlement body.

The main tasks of TRAI are to regulate telecom services and fix/ revise tariffs for telecom services. Both these functions were earlier carried out by the Central Government. The Authority has been further strengthened by an amendment to the TRAI Act made in 2000.

G. Telecom Disputes Settlement & Appellate Tribunal

The TRAI Act was amended by an ordinance, effective from 24th January 2000, and provided for the establishment of a Telecom Disputes Settlement and Appellate Tribunal (TDSAT) to take over the adjudicatory and dispute-resolution functions from TRAI.

The tribunal is mandated to adjudicate disputes between the licensor and licensees, between two or more service providers, between a service provider and a group of consumers, and also to hear and dispose of *appeals* from any direction, decision or order made by the TRAI.

H. Centre for Development of Telematics

The C-DoT was established in 1984 as an autonomous body with the objective of developing a new generation of indigenous digital switching systems. It is the main telecom research and development centre of the Government of India. The C-DoT develops total telecom solutions, technologies and applications for the fixed-line, mobile and packet-based converged networks and services. C-DoT technologies have a significant presence in the Indian telecom network directly as well as through its licensees.

C-DoT's current focus is on development and deployment of Next Generation Networks, cost-effective rural wireless solutions, software based systems, optical and satellite transport and access technologies and solutions required for strategic sectors. The product portfolio of C-DoT includes fixed line PSTN systems, Advanced Intelligent Network solutions, Access Network products, Synchronous Digital Hierarchy (SDH) and Wavelength Division Multiplexing (WDM) systems, Satellite Communication systems, Network Management systems, Operations Support systems, and Rural Wireless Access and Broadband Solutions based on Cognitive Radio, WiFi and GSM. C-DoT also supports legacy systems deployed in the field.

I. Government's Telecom Policies

I.1. New Telecom Policy, 1994 (NTP-1994)

The first national telecom policy was announced in 1994 which defined certain important objectives, including availability of telephone on demand, provision of world class services at reasonable prices, improving India's competitiveness in global market and promoting exports, attracting FDI and stimulating domestic investment, ensuring India's emergence as a major manufacturing and export

base of telecom equipment, universal availability of basic telecom services to all the villages, and also opening of private sector participation in basic telephone services.

However private sector entry remained slower than what had been envisaged in the NTP-1994. A copy of the NTP-1994 is available at the end of this chapter as *Annexure F*.

I.2. New Telecom Policy, 1999 (NTP-1999)

A new national telecom policy was announced by the Government in 1999. It allowed private operators to migrate from the fixed license fee regime to a revenue-sharing regime. Other provisions of NTP-99 included the permitting of interconnectivity and sharing of infrastructure among various service providers within the same area of operation, separation of the policy and licensing functions of DoT from the service provision function, opening of National Long Distance (NLD) and International Long Distance (ILD) services to competition and carrying of both voice and data traffic by service providers.

By 31 March 2002, unrestricted entry was allowed in basic services on a revenue-sharing basis. All telecom services were also opened up for private sector participation, national and international data connectivity were opened to all and internet services were also opened up without any restriction on the number of entrants and without any entry fee.

A copy of the NTP-1999 has been printed at the end of this chapter as *Annexure G*.

I.3. The Broadband Policy, 2004

On 14th October 2004 the government announced its Broadband Policy, aimed at harnessing the power of internet for accelerating development oriented projects. Two key features of the policy are technology-neutrality and de-licensing of certain radio-frequency frequency bands to promote outdoor and indoor usage of low power WiFi systems (high speed wireless Internet in designated 'hot spots'). A copy of this policy document is available at the end of this chapter (*Annexure H*).

J. Public Sector Undertakings under DOT

J.1. Bharat Sanchar Nigam Limited (BSNL)

BSNL was formed on October 1, 2000 by conversion of the erstwhile Departments of Telecom Operations (DTO) and Telecom Services (DTS). The company took over the assets, liabilities and functions of the Departments in respect of provision of telecom services across the length and breadth of the country.

Presently (as on 31.8.2007) BSNL is a 100% government-owned Public Sector Undertaking (PSU) with an authorized capital of Rs. 17,500 crores and paid-up capital of Rs. 12,500 crores (equity shares: Rs. 5000 crores, and 9% preference shares: Rs. 7500 crores). The company paid a dividend of 10% for 2005-06, and has declared an interim dividend of 7.5% for 2006-07.

BSNL is a technology-oriented company and provides all types of telecom services, namely, wireline and mobile telephone services, leased circuits, Internet and long distance telecom services. The company is in the forefront of technology, with a 100% digital new technology switching network.

BSNL's vast switching network of landlines comprises of 37,636 exchanges having a capacity of 473.67 lakh lines as on December 31, 2006. Its nation-wide network covers all district headquarters,

sub-divisional headquarters, tehsil headquarters and almost all the block headquarters. Out of the 6.07 lakh villages in the country, 5.45 lakh villages have already been provided telephone facility by BSNL by the end of December 2006. It has a work-force of around 3.27 lakh employees.

J.2. Mahanagar Telephone Nigam Limited (MTNL)

Mahanagar Telephone Nigam Limited (MTNL) was formed on April 1, 1986 and was incorporated as a public limited company to manage and control telecommunications services (excluding telegraph services) in the two metropolitan cities of Delhi and Mumbai. The jurisdiction of the company comprises the city of Delhi and the areas falling under the Mumbai Municipal Corporation and Thane Municipal Corporation.

As per the license conditions, MTNL is providing cellular services in Delhi including the peripheral towns of Gurgaon, Faridabad, Ghaziabad and Noida and in Mumbai including Kalyan. MTNL is also offering high-speed Internet service on broadband using ADSL2+ technology on its landline network. Further, MTNL is providing Dial up Internet Services in Delhi and Mumbai under a separate non-exclusive license agreement.

MTNL has two wholly owned subsidiaries viz. Millennium Telecom Ltd. (MTL) and Mahanagar Telephone Mauritius Ltd (MTML). MTL was established in India in February 2000 for providing internet services in the country, while MTML was registered in Mauritius in 2003 to provide public switched telecom services, land mobile services and international long distance services. MTML rolled out its services in Mauritius from June 2005.

The authorized share capital of MTNL is Rs.800 crores and its paid up capital is Rs. 630 crores divided into 63 crore shares of Rs. 10 each. As on 31.3.2007, the President of India and his nominees held 56.25% of its equity shares having a total nominal value of Rs. 354.3727 crores, and the remaining 43.75% shares by Foreign Institutional Investors (FIIs), financial institutions (FIs), banks, mutual funds and others including individual investors. The government received Rs. 106.3118 crores as *interim dividend* from the company during 2006-07.

J.3. ITI Limited

ITI Limited (*earlier*, Indian Telephone Industries Ltd.) is India's pioneering venture in the field of telecommunications since 1948. With state-of-the-art manufacturing facilities spread across six locations and a countrywide network of marketing/ service outlets, the Company offers a complete range of telecom products and total solutions covering the whole spectrum of Switching, Transmission, Access and Subscriber Premises equipment.

In tune with the technology trend, ITI has embarked on manufacture of mobile infrastructure equipment based on both GSM (Global System for Mobile) and CDMA (Code Division Multiple Access) technologies. It has also acquired the technology for manufacture of broadband *infra* equipment and next generation network equipment based on IP technology. ITI has a dedicated Network Systems Unit for carrying out installation and commissioning of equipments, as well as for undertaking turnkey projects and providing value-added services. ITI has aptly earned recognition as the top Turnkey Services Company in Indian Telecom for the last four years.

The authorized share capital of the company as on 31st March 2006 was Rs. 700 crores. The paid-up capital as on that date was Rs.588 Cr. (Rs.288 Cr. equity shares of Rs.10/- each, and Rs.300 crores in preference shares of Rs.100 each). The percentage share of Central Government in ordinary equity as on March 31, 2006 was 92.87%. The company is in operating in the red and was not able to pay any dividend to government during 2006-07.

J.4. Telecommunications Consultants India Ltd. (TCIL)

TCIL was incorporated as a wholly-owned company of the Government of India on March 10, 1978. The company was set up with the objective of extending the wide ranging telecom expertise available with DOT to friendly developing countries. The company has undertaken projects in all the fields of telecommunications and IT in India and abroad.

The core competence of the company lies in network projects, software support, switching and transmission systems, cellular services, rural telecommunications, optical-fibre based backbone network, CDMA based basic service networks and billing, mediation and customer care systems for different telecom services. The company is also diversifying into other business areas, such as *optical fibre on ground wire* for power utilities, e-governance for state governments, communication systems for airport terminals and light houses, construction of intelligent buildings, cyber parks, roads, etc.

The company was incorporated in 1978 with a paid-up equity capital of Rs. 10 lakhs, which was enhanced to Rs. 30 lakhs during 1982-83. The government's investment in the ordinary equity of TCIL has remained static at 100% (Rs. 30 lakhs) though the company has increased its *paid-up* capital to Rs. 28.80 crores as a result of six issues of bonus shares[@] made in 1987-88 (1:1), 1992-93 (1:1), 1994-95 (1:1), 1996-97 (2:1), 2001-02 (1:1) and 2003-04 (1:1). The net worth of the company as on March 31st 2006 was Rs. 396.65 crores.

J.5. Videsh Sanchar Nigam Ltd. (VSNL)

VSNL is the oldest (incumbent) ILD operator in the country. The government's equity holding in this company has been successively diluted from the original 100% and stood at a paltry 26.12% (Rs. 74.446885 crores) of the company's total paid-up capital of Rs. 285 crores as on 31.3.2007. The company declared a dividend of 45% during 2006-07[@].

[@: Based on (PSF letter dated 28.6.2007) accompanying Statement 11 to Union Government Finance Accounts for 2006-07.]



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***"You cannot do a kindness too soon,
for you never know
how soon it will be too late."***

-- Ralph Waldo Emerson 1803-1882

Annexure A

Extracts from the First and Second Schedules to the Allocation of Business Rules

THE FIRST SCHEDULE (Rule 2)

Ministries, Departments, Secretariats and Offices

.....
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7. Ministry of Communications and Information Technology (Sanchar aur Soochana Praudyogiki Mantralaya)
- (i) Department of Telecommunications (Doorsanchar Vibhag)
 - (ii) Department of Posts (Dak Vibhag)
 - (iii) Department of Information Technology (Soochana Praudyogiki Vibhag)

THE SECOND SCHEDULE (Rule 3)

Distribution of Subjects Among the Departments

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MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY

A. DEPARTMENT OF TELECOMMUNICATIONS

1. Policy, Licensing and Coordination matters relating to telegraphs, telephones, wireless, data, facsimile and telematic services and other like forms of communications.
2. International cooperation in matters connected with telecommunications including matters relating to all international bodies dealing with telecommunications such as International Telecommunications Union (ITU), its Radio Regulation Board (RRB), Radio Communication Sector (ITU-R), Telecommunications Standardization Sector (ITU-T), Development Sector (ITU-D), International Telecommunications Satellite Organization (INTELSAT), International Mobile Satellite Organization (INMARSAT), Asia Pacific Telecommunications (APT).
3. Promotion of standardization, research and development in telecommunications.
4. Promotion of private investment in Telecommunications.
5. Financial assistance for the furtherance of research and study in telecommunications technology and for building up adequately trained manpower for telecom programme, including-
 - (a) assistance to institutions, assistance to scientific institutions and to universities for advanced scientific study and research; and
 - (b) grant of scholarships to students in educational institutions and other forms of financial aid to individuals including those going abroad for studies in the field of telecommunications.
6. Procurement of stores and equipment required by the Department of Telecommunications.
7. Telecom Commission.
8. Telecom Regulatory Authority of India.
9. Telecom Disputes Settlement and Appellate Tribunal.
10. Administration of laws with respect to any of the matters specified in this list, namely:-
 - (a) [The Indian Telegraph Act, 1885](#) (13 of 1885);
 - (b) [The Indian Wireless Telegraphy Act, 1933](#) (17 of 1933); and
 - (c) [The Telecom Regulatory Authority of India Act, 1997](#) (24 of 1997).
11. Indian Telephone Industries Limited.
12. Post disinvestment matters relating to M/s Hindustan Teleprinters Limited.
13. Bharat Sanchar Nigam Limited.
14. Mahanagar Telephone Nigam Limited

15. Videsh Sanchar Nigam Limited and Telecommunications Consultants (India) Limited.
16. All matters relating to Centre for Development of Telematics (C-DOT).
17. Residual work relating to the erstwhile Department of Telecom Services and Department of Telecom Operations, including matters relating to-
 - (a) cadre control functions of Group 'A' and other categories of personnel till their absorption in Bharat Sanchar Nigam Limited;
 - (b) administration and payment of terminal benefits.
18. Execution of works, purchase and acquisition of land debitible to the capital Budget pertaining to telecommunications.

B. DEPARTMENT OF POSTS

1. Execution of works, including purchase of land debitible to the Capital Budget pertaining to the Department of Posts.
2. Posts, including Post Office Savings Banks (Administration), Post Office Certificate (Administration), Post Office Life Insurance Fund (Administration), printing of public postage stamps/commemorative stamps including postal stationery, premium postal products and any agency function.
3. International cooperation in matters connected with postal communications, including matters relating to all international bodies dealing with postal communications such as Universal Postal Union, Asia Pacific Postal Union (APU), and Commonwealth Postal Union.
4. Matters relating to introduction, development and maintenance of all services by the Post Office including those based on cable, radio and satellite communications channels: provided that these matters do not amount to broadcasting, narrowcasting, cable and radio networking services and are also not governed by the Indian Telegraph Act, 1885 and the rules made thereunder, and not exclusively allotted to any other Department.
5. Promotion of feasibility survey, research and development in the field of activities allotted to the Department.
6. Matters relating to administration of the Indian Post Office Act, 1898 and rules made thereunder as well as other laws or enactments having a bearing on postal activities, not specifically allotted to any other Department.

C. DEPARTMENT OF INFORMATION TECHNOLOGY

1. Policy matters relating to information technology; Electronics; and Internet (all matters other than licensing of Internet Service Provider).
2. Promotion of internet, IT and IT enabled services.
3. Assistance to other departments in the promotion of E-Governance, E-Commerce, E- Medicine, E-Infrastructure, etc.
4. Promotion of Information Technology education and Information Technology-based education.
5. Matters relating to Cyber Laws, administration of the Information Technology Act. 2000 (21 of 2000) and other Information Technology related laws.
6. Matters relating to promotion and manufacturing of Semiconductor Devices in the country excluding all matters relating to Semiconductor Complex Limited (SCL), Mohali; The Semiconductor Integrated Circuits Layout Design Act, 2000 (37 of 2000).
7. Interaction in Information Technology-related matters with international agencies and bodies e.g. Internet for Business Limited (IFB), Institute for Education in Information Society (IBI) and International Code Council – on line (ICC).
8. Initiative on bridging the Digital Divide: Matters relating to Media Lab Asia.
9. Promotion of Standardization, Testing and Quality in IT and standardization of procedure for IT application and Tasks.
10. Electronics Export and Computer Software Promotion Council (ESC).
11. National Informatics Centre (NIC).
12. Initiatives for development of Hardware/Software industry including knowledge-based enterprises, measures for promoting IT exports and competitiveness of the industry.
13. All matters relating to personnel under the control of Department.

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Annexure B

Constitution of the Telecom Commission

No. 15/1/2/87-Cab-1 dated 11.04.1989

Cabinet Secretariat, New Delhi

Resolution

Telecommunications service is an essential infrastructure for national development. It has impact on social and economic activities. Besides, business, industry and administration depend heavily on information and telecom for productivity, efficiency and their day-to-day operations. Its development, therefore, is vital for nation building.

In order to promote rapid development in all aspects of telecommunications including technology, production and services, the Government of India consider it necessary to set up an organization, which will have responsibility in the entire field of telecommunications.

After careful consideration, the Government of India have decided to establish a Telecommunications Commission with full executive and financial powers modelled on the lines of the Atomic Energy Commission.

2. Constitution of the Commission

- (a) The Commission will consist of full time and part time Members.
- (b) The Secretary to the Government of India in the Department of Telecommunications shall be the ex-officio Chairman of the Commission.
- (c) The full time Members of the Commission shall be ex-officio Secretary to the Government of India in the Department of Telecommunications. One of these Members shall be Member for Finance; and
- (d) The Secretary and the full time Members of the Commission shall be drawn from the best persons available, including from within the Department of Telecommunications.

3. Functions. The Telecom Commission shall be responsible:

- (a) For formulating the policy of the Department of Telecommunications for approval of the Government.
- (b) For preparing the budget for the Department of Telecommunications for each financial year and getting it approved by the Government; and
- (c) Implementation of the Government's policy in all matters concerning the Telecommunications.

4. Within the limits of the budget provision, approved by the Parliament, the Commission shall have the powers of the Government of India, both administrative and financial, for carrying out the work of the Department of Telecommunications.

5. Chairman

- (a) The Chairman, in his capacity as Secretary to the Government of India in the Department of Telecommunications, shall be responsible under the Minister of Communications for arriving at decisions on technical questions and advising Government on policy and allied matters of telecommunications. All recommendations of the Commission on policy and allied matters shall be put to the Minister of Communications through the Chairman.
- (b) In case of any difference of opinion in the meeting of the Commission, the decision of the Chairman shall be final, but in financial matters, Member (Finance) of the Commission will have access to Finance Minister.
- (c) The Chairman may authorize any Member of the Commission to exercise on his behalf, subject to such general or special orders as he may issue from time to time, such of his powers and responsibilities as he may decide.

6. Member Finance: The Member for Finance shall exercise powers of the Government of India in financial matters concerning the Department of Telecommunications except in so far as such powers have been, or may in future be conferred on or delegated to the Department.

7. The Commission shall have power to frame its own rules and procedures. The Commission shall meet at such time and places as fixed by the Chairman.

8. The Telecom Commission shall take over all legal and statutory authority vested with the Telecom Board.

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Annexure C

Financial Powers of the Telecom Commission

Item No. 1	Description of The Item 2	Extent of Powers 3	Authority 4
1.0.0	Creation & abolition of posts	All Posts carrying pay scale maximum of which does not exceed Rs. 7,600/-	DOT No. 5-8/90-EB dated 29-6-1990
2.0.0	Sanction of Schemes/ Projects		
2.1.1	New Schemes	Rs. 20 crores after following EFC procedure for schemes costing more than Rs. 5 crores	-do-
2.1.2	Repetitive Projects	Full Powers	-do-
2.2.0	Non-Plan Schemes	Full Powers	-do-
2.3.0	Detailed estimates	Full Powers	-do-
2.4.0	Land and Building		
2.4.1	Land	Full Powers	-do-
2.4.2	New Buildings	Full Powers	-do-
2.4.3	Additions and alterations to existing Departmental Buildings	Full Powers	-do-
2.4.4	Repairs to Buildings	Full Powers	-do-
2.4.5	Dismantlement of Buildings	Full Powers	-do-
2.4.6	Repairs and additions to rented buildings both civil and electrical	Full Powers	-do-
3.0.0	Vehicle		
3.1.0	Sanction and Replacement		
3.1.1	Staff Cars	Full Powers	-do-
3.1.2	Operational vehicles	Full Powers	-do-
3.2.0	Purchase	Full Powers	-do-
3.3.0	Repairs	Full Powers	-do-
3.4.0	Hiring	Full Powers	-do-
4.0.0	Purchase		
4.1.0	Stores	Full Powers	-do-
4.1.1	Stocked items	Full Powers	-do-
4.1.2	Non-Stocked items	Full Powers	-do-
4.2.0	Other items		
4.2.1	Office equipments	Full Powers	-do-
4.2.2	Computers	Full Powers	-do-
4.2.3	Computer stationery	Full Powers	-do-
4.2.4	Other stationery	Full Powers	-do-
4.2.5	Maps, Books and Publications	Full Powers	-do-
4.2.6	Furniture and Furnishings	Full Powers	-do-
4.2.7	Liveries and uniforms	Full Powers	-do-
4.2.8	Medicines for P&T Dispensaries	Full Powers	-do-
4.2.9	Purchase of mathematical Instruments	Full Powers	-do-
5.0.0	Contingent Expenditure		
5.1.0	Recurring	Full Powers	-do-
5.2.0	Non-Recurring	Full Powers	-do-
5.3.0	Hot and Cold weather charges	Full Powers	-do-
5.4.0	Printing and binding of forms, Telephone Directory	Full Powers	-do-
5.5.0	Legal charges	Full Powers	-do-
5.6.0	Freight, demurrage and wharfage charges	Full Powers	-do-
6.0.0	Renting of buildings		
6.1.0	Administrative Offices	Full Powers	-do-
6.2.0	Technical Building & Inspection Quarter	Full Powers	-do-
6.3.0	Residential Buildings	Full Powers	-do-
6.4.0	Office-cum-residence	Full Powers	-do-
7.0.0	Payment of advances and securities etc.	Full Powers	-do-
7.1.0	Purchase of stores	Full Powers	-do-
7.2.0	Execution of works by other local/ public agencies	Full Powers	-do-

7.3.0	Security deposits for electricity/ water connections	Full Powers	-do-
7.4.0	Loans and advances to staff	Full Powers	-do-
8.0.0	Rates and Taxes	Full Powers	-do-
9.0.0	Honorarium, rewards and awards		
9.1.0	Honorarium	Full Powers	-do-
9.2.0	Rewards/ awards	Full Powers	-do-
10.0.0	Refunds, rebates and compensations		
10.1.0	Rebates for excess metering (telephone and telex)	Full Powers	-do-
10.2.0	Refunds	Full Powers	-do-
10.3.0	Compensation		
10.3.1	Compensation for death/ injury	Full Powers	-do-
10.3.2	Compensation for damages to property	Full Powers	-do-
11.0.0	Writing off of losses		
11.1.0	Cash	Full Powers	-do-
11.2.0	Stores	Full Powers	-do-
11.3.0	Irrecoverable Revenue	Full Powers	-do-
12.0.0	Scrapping of stores/ equipment	Full Powers	-do-
13.0.0	Donations, grants-in-aid etc	Full Powers	-do-
13.1.0	Canteens/ Recreation clubs	Full Powers	-do-
13.2.0	Co-operative societies	Full Powers	-do-
13.3.0	Interest free loans to Co-operative Societies	Full Powers	-do-
14.0.0	Deputation of officials for training etc. in India	Full Powers	-do-
15.0.0	Reappropriation of funds	Full Powers	-do-
16.0.0	Professional services	Full Powers	-do-
16.1.0	Computerisation of TR billing through private agencies	Full Powers	-do-
16.2.0	Other items of computerization	Full Powers	-do-
16.3.0	Other professional services	Full Powers	-do-

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*There can be no friendship without
confidence, and no confidence without
integrity.*

- Samuel Johnson

Annexure D

Schedule of Financial Powers of the Chairman, Telecom Commission

Item No. 1	Description of The Item 2	Extent of Powers 3	Authority 4
1.0.0	Creation & abolition of posts	All Posts carrying pay scale maximum of which does not exceed Rs. 6,700/-	DOT No. 5-8-90/ EB dated 29-6-1990
2.0.0	Sanction of Schemes/ Projects		
2.1.1.	New Schemes	Same as for Telecom Commission	-do-
2.1.2	Repetitive Projects	Full Powers	-do-
2.2.0	Non-Plan Schemes	Rs. 5 crores	-do-
2.3.0.	Detailed estimates	-	-do-
2.4.0.	Land and Building		
2.4.1	Land	Full Powers	-do-
2.4.2	New Buildings	Full Powers	-do-
2.4.3	Additions and alterations to existing Departmental Buildings	Full Powers	-do-
2.4.4	Repairs to Buildings	Full Powers	-do-
2.4.5	Dismantlement of Buildings	Full Powers	-do-
2.4.6	Repairs and additions to rented buildings both civil and electrical	Full Powers	-do-
3.0.0	Vehicle		
3.1.0	Sanction and Replacement		
3.1.1	Staff Cars	Full Powers	-do-
3.1.2	Operational vehicles	Full Powers	-do-
3.2.0	Purchase	Full Powers	-do-
3.3.0	Repairs	Full Powers	-do-
3.4.0	Hiring	Full Powers	-do-
4.0.0	Purchase		
4.1.0	Stores	Full Powers	-do-
4.1.1	Stocked items	Full Powers	-do-
4.1.2	Non-Stocked items	Full Powers	-do-
4.2.0	Other items		
4.2.1	Office equipments	Full Powers	-do-
4.2.2	Computers	Full Powers	-do-
4.2.3	Computer stationery	Full Powers	-do-
4.2.4	Other stationery	Full Powers	-do-
4.2.5	Maps, Books and Publications	Full Powers	-do-
4.2.6	Furniture and Furnishings	Full Powers	-do-
4.2.7	Liveries and uniforms	Full Powers	-do-
4.2.8	Medicines for P&T Dispensaries	Full Powers	-do-
4.2.9	Purchase of mathematical Instruments	Full Powers	-do-
5.0.0	Contingent Expenditure		
5.1.0	Recurring	Full Powers	-do-
5.2.0	Non-Recurring	Full Powers	-do-
5.3.0	Hot and Cold weather charges	Full Powers	-do-
5.4.0	Printing and binding of forms, Telephone Directory	Full Powers	-do-
5.5.0	Legal charges	Full Powers	-do-
5.6.0	Freight, demurrage and wharfage charges	Full Powers	-do-
6.0.0	Renting of buildings		
6.1.0	Administrative Offices	Full Powers	-do-
6.2.0	Technical Building & Inspection Quarters	Full Powers	-do-
6.3.0	Residential Buildings	Full Powers	-do-
6.4.0	Office-cum-residence	Full Powers	-do-
7.0.0	Payment of advances and securities etc.	Full Powers	-do-
7.1.0	Purchase of stores	Full Powers	-do-
7.2.0	Execution of works by other local/ public agencies	Full Powers	-do-
7.3.0	Security deposits for electricity/ water connections	Full Powers	-do-

Item No. 1	Description of The Item 2	Extent of Powers 3	Authority 4
7.4.0	Loans and advances to staff	Full Powers	-do-
8.0.0	Rates and Taxes	Full Powers	-do-
9.0.0	Honorarium, rewards and awards		
9.1.0	Honorarium	Rs.5000/- in each case	-do-
9.2.0	Rewards/ awards	Rs.5000/- in each case	-do-
10.0.0	Refunds, rebates and compensations		
10.1.0	Rebates for excess metering (telephone and telex)	Full Powers	-do-
10.2.0	Refunds	Full Powers	-do-
10.3.0	Compensation		
10.3.1	Compensation for death/ injury	Full Powers	-do-
10.3.2	Compensation for damages to property	Full Powers	-do-
11.0.0	Writing off of losses		
11.1.0	Cash	Full Powers	-do-
11.2.0	Stores	Full Powers	-do-
11.3.0	Irrecoverable Revenue	Full Powers	-do-
12.0.0	Scrapping of stores/ equipment	Full Powers	-do-
13.0.0	Donations, grants-in-aid etc	Full Powers	-do-
13.1.0	Canteens/ Recreation clubs	Full Powers	-do-
13.2.0	Co-operative societies	Full Powers	-do-
13.3.0	Interest free loans to Co-operative Societies	Full Powers	-do-
14.0.0	Deputation of officials for training etc. in India	Full Powers	-do-
15.0.0	Reappropriation of funds	Full Powers	-do-
16.0.0	Professional services	Full Powers	-do-
16.1.0	Computerisation of TR billing through private agencies	Full Powers	-do-
16.2.0	Other items of computerization	Full Powers	-do-
16.3.0	Other professional services	Full Powers	-do-

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*“Things which matter most
must never be at the mercy of things which matter
least” - Goethe*

Annexure E

Schedule of Financial Powers of Members, Telecom Commission

Item No. 1	Description of The Item 2	Extent of Powers 3	Authority 4
1.0.0	Creation & abolition of posts	All Posts carrying pay scale maximum of which does not exceed Rs. 5,700/-	DOT No. 5-8/90-EB dated 29.6.90
2.0.0	Sanction of Schemes/ Projects		
2.1.1.	New Schemes	Rs.5 Crores	-do-
2.1.2	Repetitive Projects	Full Powers	-do-
2.2.0	Non-Plan Schemes	Rs.3 crores	-do-
2.3.0.	Detailed estimates	Full Powers	-do-
2.4.0.	Land and Building		
2.4.1	Land	Full Powers	-do-
2.4.2	New Buildings	Full Powers	-do-
2.4.3	Additions and alterations to existing Departmental Buildings	Full Powers	-do-
2.4.4	Repairs to Buildings	Full Powers	-do-
2.4.5	Dismantlement of Buildings	Full Powers	-do-
2.4.6	Repairs and additions to rented buildings both civil and electrical	Full Powers	-do-
3.0.0	Vehicle		
3.1.0	Sanction and Replacement		
3.1.1	Staff Cars	Full Powers	-do-
3.1.2	Operational vehicles	Full Powers	-do-
3.2.0	Purchase	Full Powers	-do-
3.3.0	Repairs	Full Powers	-do-
3.4.0	Hiring	Full Powers	-do-
4.0.0	Purchase		
4.1.0	Stores	Full Powers	-do-
4.1.1	Stocked items	Full Powers	-do-
4.1.2	Non-Stocked items	Full Powers	-do-
4.2.0	Other items		
4.2.1	Office equipments	Full Powers	-do-
4.2.2	Computers	Full Powers	-do-
4.2.3	Computer stationery	Full Powers	-do-
4.2.4	Other stationery	Full Powers	-do-
4.2.5	Maps, Books and Publications	Full Powers	-do-
4.2.6	Furniture and Furnishings	Full Powers	-do-
4.2.7	Liveries and uniforms	Full Powers	-do-
4.2.8	Medicines for P&T Dispensaries	Full Powers	-do-
4.2.9	Purchase of mathematical Instruments	Full Powers	-do-
5.0.0	Contingent Expenditure		
5.1.0	Recurring	Full Powers	-do-
5.2.0	Non-Recurring	Full Powers	-do-
5.3.0	Hot and Cold weather charges	Full Powers	-do-
5.4.0	Printing and binding of forms, Telephone Directory	Full Powers	-do-
5.5.0	Legal charges	Full Powers	-do-
5.6.0	Freight, demurrage and wharfage charges	Full Powers	-do-
6.0.0	Renting of buildings		
6.1.0	Administrative Offices	Full Powers	-do-
6.2.0	Technical Building & Inspection Quarters	Full Powers	-do-
6.3.0	Residential Buildings	Full Powers	-do-
6.4.0	Office-cum-residence	Full Powers	-do-
7.0.0	Payment of advances and securities etc.	Full Powers	-do-
7.1.0	Purchase of stores	Full Powers	-do-
7.2.0	Execution of works by other local/ public agencies	Full Powers	-do-
7.3.0	Security deposits for electricity/ water connections	Full Powers	-do-

Item No. 1	Description of The Item 2	Extent of Powers 3	Authority 4
7.4.0	Loans and advances to staff	Full Powers	-do-
8.0.0	Rates and Taxes	Full Powers	-do-
9.0.0	Honorarium, rewards and awards		
9.1.0	Honorarium	Rs.5000/- in each case	-do-
9.2.0	Rewards/ awards	Rs.5000/- in each case	-do-
10.0.0	Refunds, rebates and compensations		
10.1.0	Rebates for excess metering (telephone and telex)	Full Powers	-do-
10.2.0	Refunds	Full Powers	-do-
10.3.0	Compensation		
10.3.1	Compensation for death/ injury	Full Powers	-do-
10.3.2	Compensation for damages to property	Full Powers	-do-
11.0.0	Writing off of losses		
11.1.0	Cash	Full Powers	-do-
11.2.0	Stores	Full Powers	-do-
11.3.0	Irrecoverable Revenue	Full Powers	-do-
12.0.0	Scrapping of stores/ equipment	Full Powers	-do-
13.0.0	Donations, grants-in-aid etc	Full Powers	-do-
13.1.0	Canteens/ Recreation clubs	Full Powers	-do-
13.2.0	Co-operative societies	Full Powers	-do-
13.3.0	Interest free loans to Co-operative Societies	Full Powers	-do-
14.0.0	Deputation of officials for training etc. in India	Full Powers	-do-
15.0.0	Reappropriation of funds	Full Powers as per guidelines to be exercised by Member (F) only.	-do-
16.0.0	Professional services	Full Powers	-do-
16.1.0	Computerisation of TR billing through private agencies	Full Powers	-do-
16.2.0	Other items of computerization	Full Powers	-do-
16.3.0	Other professional services	Full Powers	-do-

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*What Lies Behind Us And What Lies Before Us
Are Tiny Matters
Compared To What Lies Within Us.*

- Oliver Wendell Holmes

Annexure F

New Telecom Policy 1994

Introduction:

1. The new economic policy adopted by the Government aims at improving India's competitiveness in the global market and rapid growth of exports. Another element of the new economic policy is attracting foreign direct investment and stimulating domestic investment. Telecommunications services of world class quality are necessary for the success of this policy. It is, therefore, necessary to give the highest priority to the development of telecom services in the country.

Objectives:

2. The objectives of the New Telecom Policy will be as follows :
 - a. The focus of the Telecom Policy shall be telecommunications for all and telecommunications within the reach of all. This means ensuring the availability of telephone on demand as early as possible.
 - b. Another objective will be to achieve universal service covering all villages as early as possible. What is meant by the expression universal service is the provision of access to all people for certain basic telecom services at affordable and reasonable prices.
 - c. The quality of telecom services should be of world standard. Removal of consumer complaints, dispute resolution and public interface will receive special attention. The objective will also be to provide widest permissible range of services to meet the customer's demand at reasonable prices.
 - d. Taking into account India's size and development, it is necessary to ensure that India emerges as a major manufacturing base and major exporter of telecom equipment.
 - e. The defense and security interests of the country will be protected.

Present Status:

3. The present telephone density in India is about 0.8 per hundred persons as against the world average of 10 per hundred persons. It is also lower than that of many developing countries of Asia like China (1.7), Pakistan (2), Malaysia (13) etc. There are about 8 million lines with a waiting list of about 2.5 million. Nearly 1.4 lakh villages, out of a total of 5,76,490 villages in the country, are covered by telephone services. There are more than 1 lakh public call offices in the urban areas.

Revised Targets:

4. In view of the recent growth of the economy and the reassessed demand, it is necessary to revise the VIII Plan targets as follows:
 - a. Telephone should be available on demand by 1997.
 - b. All villages should be covered by 1997.
 - c. In the urban areas a PCO should be provided for every 500 persons by 1997.
 - d. All value-added services available internationally should be introduced in India to raise the telecom services in India to international standard well within the 7th Plan period, preferably by 1996.

Resources for the Revised Targets:

5. The rapid acceleration of telecom services visualized above would require supplementing the resources allocated to this sector in the VIIIth Plan. The total demand (working connections + waiting list) showed a rise of nearly 50% from 7.03 million on 1.4.1992 to 10.5 million on 1.4.1994 over a three year period. If the demand grows at the same rate for the next three years, it would touch about 15.8 million by 1.4.1997. The actual rate of growth is likely to be higher as the economy is expected to grow at a faster pace. Achieving the target of giving telephone on demand by 1997 would thus imply releasing about 10 million connections during the VIIIth Plan as against the existing target of 7.5 million. Release of 2.5 million additional lines alone would require extra resources to the tune of Rs. 11,750 crores at a unit cost of Rs. 47,000 per line at 1993-94 prices. To this must be added the requirement on account of additional rural connections of Rs. 4,000 crores.
6. Even with the comparatively modest targets of the VIII Plan, as originally fixed, there is a resource gap of Rs. 7,500 crores. The additional resources required to achieve the revised targets would be well over Rs. 23,000 crores. Clearly this is beyond the capacity of Government funding and internal generation of resources. Private investment and association of the private sector would be needed in a big way to bridge the resource gap. Private initiative would be used to complement the Departmental efforts to raise additional resources both through increased international generation and adopting innovative means like leasing, deferred payments, BOT, BLT, BTO etc.

Hardware:

7. With the objective of meeting the telecom needs of the country the sector of manufacture of telecom equipment has been progressively re-licensed. Substantial capacity has already been created for the manufacture of the necessary hardware within the country. The capacity for manufacture of switching equipment, for example, exceeded 1.7 million lines/ year in 1993 and is projected to exceed 3 million lines/ year by 1997. The capacity for manufacture of telephone instruments at 8.4 million units per year is far in excess of the existing or the projected demand. Manufacturing capacities for wireless terminal equipment, Multi Access Radio Relay (MARR) for rural communication, optical fibre cables, underground cables etc. have also been established to take care of the requirements of the VIII Plan. With the revision of the targets demand would firm up and there would be an incentive to expand the capacities to meet the extra requirement.

Value Added Services:

8. In order to achieve standards comparable to the international facilities, the sub-sector of value-added services was opened up to private investment in July 1992 for the following services :
 - a. Electronic Mail
 - b. Voice Mail
 - c. Data Services
 - d. Audio Text Services
 - e. Video Text Services
 - f. Video Conferencing
 - g. Radio Paging
 - h. Cellular Mobile Telephone
9. In respect of the first six of these services companies registered in India are permitted to operate under license on non-exclusive basis. This policy would be continued. In view of the constraints on the number of companies that can be allowed to operate in the area of Radio Paging and Cellular Mobile Telephone Service, however, a policy of selection is being followed in grant of licenses through a system of tendering. This policy will also be continued and the following criteria will be applied for selection :
 - a. Track record of the company;
 - b. Compatibility of the technology;
 - c. Usefulness of the technology being offered for future development;
 - d. Protection of national security interests;
 - e. Ability to give the best quality of service to the consumer at the most competitive cost; and
 - f. Attractiveness of the commercial terms to the Department of Telecommunications.

Basic Services:

10. With a view to supplement the effort of the Department of Telecommunications in providing telecommunications services to the people, companies registered in India will be allowed to participate in the expansion of the telecommunications network in the area of basic telephone services also. These companies will be required to maintain a balance in their coverage between urban and rural areas. Their conditions of operation will include agreed tariff and revenue sharing arrangements. Other terms applicable to such companies will be similar to those indicated above for value-added services.

Pilot Projects:

11. Pilot projects will be encouraged directly by the Government in order to access new technologies, new systems in both basic as well as value-added services.

Technology and Strategic Aspects:

12. Telecommunications is a vital infrastructure. It is also technology intensive. It is, therefore, necessary that the administration of the policy in the telecom sector is such that the inflow of technology is made easy and India does not lag behind in getting the full advantage of the emerging new technologies. An equally important aspect is the strategic aspect of telecom, which affects the national and public interests. It is, therefore, necessary to encourage indigenous technology, set up a suitable funding mechanism for indigenous R&D so that the Indian Technology can meet the national demand and also compete globally.

Implementation:

13. In order to implement the above policy, suitable arrangements will have to be made (a) protect and promote the interests of the consumers and (b) ensure fair competition.

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Annexure G

National Telecom Policy 1999

1.1 Importance of Telecommunications

The Government of India (Government) recognizes that provision of world class telecommunications infrastructure and information is the key to rapid economic and social development of the country. It is critical not only for the development of the Information Technology industry, but also has widespread ramifications on the entire economy of the country. It is also anticipated that going forward, a major part of the GDP of the country would be contributed by this sector. Accordingly, it is of vital importance to the country that there be a comprehensive and forward looking telecommunications policy which creates an enabling framework for development of this industry.

1.2 NTP 1994: Objectives and Achievements

In 1994, the Government announced the National Telecom Policy which defined certain important objectives, including availability of telephone on demand, provision of world class services at reasonable prices, ensuring India's emergence as major manufacturing / export base of telecom equipment and universal availability of basic telecom services to all villages. It also announced a series of specific targets to be achieved by 1997. As against the NTP 1994 target of provision of 1 PCO per 500 urban population and coverage of all 6 lac villages, DoT has achieved an urban PCO penetration of 1 PCO per 522 and has been able to provide telephone coverage to only 3.1 lac villages. As regards provision of total telephone lines in the country, DoT has provided 8.73 million telephone lines against the eighth plan target of 7.5 million lines.

NTP 1994 also recognized that the required resources for achieving these targets would not be available only out of Government sources and concluded that private investment and involvement of the private sector was required to bridge the resource gap. The Government invited private sector participation in a phased manner from the early nineties, initially for value added services such as Paging Services and Cellular Mobile Telephone Services (CMTS) and thereafter for Fixed Telephone Services (FTS). After a competitive bidding process, licenses were awarded to 8 CMTS operators in the four metros, 14 CMTS operators in 18 state circles, 6 BTS operators in 6 state circles and to paging operators in 27 cities and 18 state circles. VSAT services were liberalised for providing data services to closed user groups. Licenses were issued to 14 operators in the private sector out of which only nine licensees are operational. The Government has recently announced the policy for Internet Service Provision (ISP) by private operators and has commenced licensing of the same. The Government has also announced opening up of Global Mobile Personal Communications by Satellite (GMPCS) and has issued one provisional license. Issue of licenses to other prospective GMPCS operators is under consideration.

The Government recognises that the result of the privatisation has so far not been entirely satisfactory. While there has been a rapid rollout of cellular mobile networks in the metros and states with currently over 1 million subscribers, most of the projects today are facing problems. The main reason, according to the cellular and basic operators, has been the fact that the actual revenues realised by these projects have been far short of the projections and the operators are unable to arrange financing for their projects and therefore complete their projects. Basic telecom services by private operators have only just commenced in a limited way in two of the six circles where licenses were awarded. As a result, some of the targets as envisaged in the objectives of the NTP 1994 have remained unfulfilled. The private sector entry has been slower than what was envisaged in the NTP 1994.

The government views the above developments with concern as it would adversely affect the further development of the sector and recognises the need to take a fresh look at the policy framework for this sector.

1.3 Need for a New Telecom Policy

In addition to some of the objectives of NTP 1994 not being fulfilled, there have also been far reaching developments in the recent past in the telecom, IT, consumer electronics and media industries world-wide. Convergence of both markets and technologies is a reality that is forcing realignment of the industry. At one level, telephone and broadcasting industries are entering each other's markets, while at another level, technology is blurring the difference between different conduit systems such as wireline and wireless. As in the case of most countries, separate licenses have been issued in our country for basic, cellular, ISP, satellite and cable TV operators each with separate industry structure, terms of entry and varying requirement to create infrastructure. However this convergence now allows operators to use their facilities to deliver some services reserved for other operators, necessitating a relook into the existing policy framework. The new telecom policy framework is also required to facilitate India's vision of becoming an IT superpower and develop a world class telecom infrastructure in the country.

2.0 The objectives of the NTP 1999 are as under:

- Access to telecommunications is of utmost importance for achievement of the country's social and economic goals. Availability of affordable and effective communications for the citizens is at the core of the vision and goal of the telecom policy.
- Strive to provide a balance between the provision of universal service to all uncovered areas, including the rural areas, and the provision of high-level services capable of meeting the needs of the country's economy;
- Encourage development of telecommunications facilities in remote, hilly and tribal areas of the country;
- Create a modern and efficient telecommunications infrastructure taking into account the convergence of IT, media, telecom and consumer electronics and thereby propel India into becoming an IT superpower;
- Convert PCO's, wherever justified, into Public Teleinfo centres having multimedia capability like ISDN services, remote database access, government and community information systems etc.
- Transform in a time bound manner, the telecommunications sector to a greater competitive environment in both urban and rural areas providing equal opportunities and level playing field for all players;
- Strengthen research and development efforts in the country and provide an impetus to build world-class manufacturing capabilities
- Achieve efficiency and transparency in spectrum management
- Protect the defence & security interests of the country
- Enable Indian Telecom Companies to become truly global players.

In line with the above objectives, the specific targets that the NTP 1999 seeks to achieve would be:

- Make available telephone on demand by the year 2002 and sustain it thereafter so as to achieve a teledensity of 7 by the year 2005 and 15 by the year 2010
- Encourage development of telecom in rural areas making it more affordable by suitable tariff structure and making rural communication mandatory for all fixed service providers
- Increase rural teledensity from the current level of 0.4 to 4 by the year 2010 and provide reliable transmission media in all rural areas
- Achieve telecom coverage of all villages in the country and provide reliable media to all exchanges by the year 2002
- Provide Internet access to all district head quarters by the year 2000
- Provide high speed data and multimedia capability using technologies including ISDN to all towns with a population greater than 2 lac by the year 2002

3.0 New Policy Framework

The New Policy Framework must focus on creating an environment, which enables continued attraction of investment in the sector and allows creation of communication infrastructure by leveraging on technological development. Towards this end, the New Policy Framework would look at the telecom service sector as follows–

- Cellular Mobile Service Providers, Fixed Service Providers and Cable Service Providers, collectively referred to as 'Access Providers'
- Radio Paging Service Providers
- Public Mobile Radio Trunking Service Providers
- National Long Distance Operators
- International Long Distance Operators
- Other Service Providers
- Global Mobile Personal Communication by Satellite (GMPCS) Service Providers
- V-SAT based Service Providers

3.1 Access Providers**3.1.1 Cellular Mobile Service Providers**

The Cellular Mobile Service Providers (CMSP) shall be permitted to provide mobile telephony services including permission to carry its own long distance traffic within their service area without seeking an additional license. Direct interconnectivity between licensed CMSP's and any other type of service provider (including another CMSP) in their area of operation including sharing of infrastructure with any other type of service provider shall be permitted. Interconnectivity between service providers in different service areas shall be reviewed in consultation with TRAI and the same would be announced by August 15, 1999 as a part of the structure for opening up national long distance. The CMSP shall be allowed to directly interconnect with the VSNL after opening of national long distance from January 1, 2000. The CMSP shall be free to provide, in its service area of operation, all types of mobile services including voice and non-voice messages, data services and PCOs utilizing any type of network equipment, including circuit and/or packet switches, that meet the relevant International Telecommunications Union (ITU)/ Telecommunications Engineering Center (TEC) standards.

CMSP would be granted separate license, for each service area. Licenses would be awarded for an initial period of twenty years and would be extendible by additional periods of ten years thereafter. For this purpose, service areas would be categorized into the four metro circles and Telecom circles as per the existing policy. CMSP would be eligible to obtain licenses for any number of service areas.

Availability of adequate frequency spectrum is essential not only for providing optimal bandwidth to every operator but also for entry of additional operators. Based on the immediately available frequency spectrum band, apart from the two private operators already licensed, DOT / MTNL would be licensed to be the third operator in each service area in case they want to enter, in a time bound manner. In order to ensure level playing field between different service providers in similar situations, license fee would be payable by DoT also. However, as DoT is the national service provider having immense rural and social obligations, the Government will reimburse full license fee to the DoT.

It is proposed to review the spectrum utilisation from time to time keeping in view the emerging scenario of spectrum availability, optimal use of spectrum, requirements of market, competition and other interest of public. The entry of more operators in a service area shall be based on the recommendation of the TRAI who will review this as required, and no later than every two years.

CMSP operators would be required to pay a one time entry fee. The basis for determining the entry fee and the basis for selection of additional operators would be recommended by the TRAI. Apart from the one time entry fee, CMSP operators would also be required to pay license fee based on a revenue share. It is proposed that the appropriate level of entry fee and percentage of revenue share arrangement for different service areas would be recommended by TRAI in a time-bound manner, keeping in view the objectives of the New Telecom Policy.

3.1.2 Fixed Service Providers

The Fixed Service Providers (FSP) shall be freely permitted to establish 'last mile' linkages to provide fixed services and carry long distance traffic within their service area without seeking an additional license. Direct interconnectivity between FSP's and any other type of service provider (including another FSP) in their area of operation and sharing of infrastructure with any other type of service provider shall be permitted. Interconnectivity between service providers in different service areas shall be reviewed in consultation with TRAI and the same would be announced by August 15, 1999 as a part of the structure for opening up of national long distance. The FSP shall be allowed to directly interconnect with the VSNL after the opening up of national long distance from January 1, 2000. The FSP may also utilize last mile linkages or transmission links within its service area made available by other service providers. The FSP shall be free to provide, in his service area of operation, all types of fixed services including voice and non-voice messages and data services, utilizing any type of network equipment, including circuit and/or packet switches, that meet the relevant International Telecommunications Union (ITU) / Telecommunications Engineering Center (TEC) standards.

The FSP shall be granted separate license, on a non-exclusive basis, for each service area of operation. Licenses would be awarded for an initial period of twenty years which shall be extended by additional periods of ten years thereafter. The FSPs shall be eligible to obtain licenses for any number of service areas.

While market forces will ultimately determine the number of fixed service providers, during transition, number of entrants have (sic) to be carefully decided to eliminate non-serious players and allow new entrants to establish themselves. Therefore, the option of entry of multiple operators for a period of five years for the service areas where no licenses have been issued is adopted. The number of players and their mode of selection will be recommended by TRAI in a time-bound manner.

The FSP licensees would be required to pay a one time entry fee. All FSP licensees shall pay license fee in the form of a revenue share. It is proposed that the appropriate level of entry fee and percentage of revenue share and basis for selection of new operators for different service areas of operation would be recommended by TRAI in a time-bound manner, keeping in view the objectives of the New Telecom Policy.

As in the case for cellular, for WLL also, availability of appropriate frequency spectrum as required is essential not only for providing optimal bandwidth to every operator but also for entry of additional operators. It is proposed to review the spectrum utilisation from time to time keeping in view the emerging scenario of spectrum availability, optimal use of spectrum, requirements of market, competition and other interest of public.

The WLL frequency shall be awarded to the FSPs requiring the same, based on the payment of an additional one time fee over and above the FSP entry fee. The basis for determining the entry fee and the basis for assigning WLL frequency shall be recommended by the TRAI. All FSP operators utilising WLL shall pay a license fee in the form of a revenue share for spectrum utilization. This percentage of revenue share shall be over and above the percentage payable for the FSP license. It is proposed that the appropriate level of entry fee and percentage of revenue share for WLL for different service areas of operation will be recommended by TRAI in a time-bound manner, keeping in view the objectives of the New Telecom Policy.

3.1.3 Cable Service Providers

Under the provisions of the Cable Regulation Act, 1995, Cable Service Providers (CSP) shall continue to be freely permitted to provide 'last mile' linkages and switched services within their service areas of operation and operate media services, which

are essentially one-way, entertainment related services. Direct interconnectivity between CSP's and any other type of service provider in their area of operation and sharing of infrastructure with any other type of service provider shall be permitted. Interconnectivity between service providers in different service areas shall be reviewed in consultation with TRAI and the same would be announced by August 15, 1999 as a part of the structure for opening up national long distance. In view of convergence, it is highly likely that two-way communication (including voice, data and information services) through cable network would emerge in a significant way in future. Offering of these services through the cable network would tantamount to providing fixed services. Accordingly, in case the above two-way communication services are to be provided by CSPs utilising their network, they would also be required to obtain an FSP license and be bound by the license conditions of the FSPs, with a view to ensure level playing field.

3.2 Internet Telephony

Internet telephony shall not be permitted at this stage. However, Government will continue to monitor the technological innovations and their impact on national development and review this issue at an appropriate time.

3.3 Radio Paging Service Providers

The Radio Paging Service Providers (RPSP) shall be permitted to provide paging services within their service area of operation. Direct interconnectivity between licensed RPSPs and any other type of service provider in their area of operation including sharing of infrastructure shall be permitted. Interconnectivity between service providers in different service areas shall be reviewed in consultation with TRAI and the same would be announced by August 15, 1999 as a part of the structure for opening up of national long distance.

The RPSP shall be granted separate license, on a non-exclusive basis, for each service area of operation. Licenses would be awarded for an initial period of twenty years and will be extended by additional periods of ten years thereafter. For this purpose, the service areas would be categorized as per the existing structure. The RPSP shall be eligible to obtain licenses for any number of service areas.

Availability of adequate radio frequency spectrum is essential not only for providing optimal bandwidth to every operator but also for entry of additional operators. It is proposed to review the spectrum utilisation from time to time keeping in view the emerging scenario of spectrum availability, optimal use of spectrum, requirements of market, competition and other interest of public. The entry of more operators in a service area shall be based on the recommendation of the TRAI who would review this as required and no later than every two years..

The radio paging licensees shall pay a one time entry fee. The basis for determining the entry fee and the basis for selection of additional operators will be recommended by the TRAI. All radio paging licensees shall pay license fee as a revenue share. It is proposed that the appropriate level of entry fee and percentage of revenue share for different service areas of operation will be recommended by TRAI in a time-bound manner, keeping in view the objectives of the New Telecom Policy. Further, TRAI may also examine and recommend the revenue sharing arrangements between RPSP and other access providers, subject to technical feasibility.

3.4 Public Mobile Radio Trunking Service Providers

The Public Mobile Radio Trunking Service Providers (PMRTSP) shall be permitted to provide mobile radio trunking services within their service area of operation. Direct interconnectivity between licensed PMRTSP's and any other type of service provider in their area of operation shall be permitted after examining the legal implications in view of the CMSP licenses

The PMRTSP shall be granted separate license, on a non-exclusive basis, for each service area of operation. Licenses would be awarded for an initial period of twenty years and will be extended by additional periods of ten years thereafter. For this purpose, the service areas would be categorized as per the existing structure. The PMRTSP shall be eligible to obtain licenses for any number of service areas.

PMRTSP licensees would be required to pay a one time entry fee. The basis for determining the entry fee and the basis for selection of additional operators will be recommended by the TRAI. Apart from the one time entry fee, PMRTSP licensees would also be required to pay license fee based on a revenue share. It is proposed that the appropriate level of entry fee and percentage of revenue share arrangement for different service areas would be recommended by TRAI in a time-bound manner, keeping in view the objectives of the New Telecom Policy.

3.5 National Long Distance Operators

National long distance service beyond service area to the private operators will be opened for competition with effect from January 1, 2000. To promote setting up long distance bandwidth capacity in the country, provide a choice to consumers and promote competition, all NLDOs should be able to access subscribers. With a view to achieve the above, all access providers shall be mandatorily required to provide interconnection to the NLDOs resulting in choice for subscribers to make long distance calls through any operator. For this purpose, the terms and conditions and other modalities would be worked out in consultation with TRAI and the same will be announced by August 15, 1999. The terms and conditions would also specify the number of operators, license conditions on revenue sharing basis and other related issues.

Usage of the existing backbone network of public and private power transmission companies / Railways / GAIL, ONGC etc. shall be allowed immediately for national long distance data communication and from January 1, 2000 for national long distance voice communications.

Resale would be permitted for domestic telephony, announcement for the modalities thereof to be announced along with the opening up of national long distance by August 15, 1999. Resale on international long distance will not be permitted till the year 2004.

3.6 International Long Distance Services

The subject of opening up of international telephony service to competition will be reviewed by the year 2004.

3.7 Other Service Providers

For applications like tele-banking, tele-medicine, tele-education, tele-trading, e-commerce, other service providers will be allowed to operate by using infrastructure provided by various access providers. No license fee will be charged but registration for specific services being offered will be required. These service providers will not infringe on the jurisdiction of other access providers and they will not provide switched telephony.

3.8 Global Mobile Personal Communication Services

The Government has opened up the GMPCS market in India and has issued a provisional license. The terms of the final license would need to be finalised in consultation with TRAI by June 30, 1999. All the calls originating or terminating in India shall pass through VSNL gateway or in case of bypass, it should be possible to monitor these calls in the Indian gateways. VSNL is also to be compensated in case gateway is bypassed.

The GMPCS operators shall be free to provide voice and non-voice messages, data service and information services utilising any type of network equipment, including circuit and/or packet switches that meet the relevant International Telecommunications Union (ITU) / Telecommunications Engineering Center (TEC) standards. However, the licenses be awarded after the proposals are scrutinised from the security angle by the Government.

The appropriate entry fee/revenue sharing structure would be recommended by TRAI, keeping in view the objectives of the New Telecom Policy.

3.9 SATCOM Policy

The SATCOM Policy shall provide for users to avail of transponder capacity from both domestic / foreign satellites. However, the same has to be in consultation with the Department of Space.

Under the existing ISP policy, international long distance communication for data has been opened up. The gateways for this purpose shall be allowed to use SATCOM.

It has also been decided that Ku frequency band shall be allowed to be used for communication purposes.

3.9.1 VSAT Service Providers

The VSAT Service Providers shall be granted separate license, on a non-exclusive basis for an initial period of twenty years and will be extended by additional periods of ten years thereafter. Interconnectivity between service providers in different service areas shall be reviewed in consultation with TRAI and the same would be announced as a part of the structure for opening up national long distance by August 15, 1999.

The VSAT service providers shall be granted separate license, on a non-exclusive basis. Licenses would be awarded for an initial period of twenty years and will be extended by additional periods of ten years thereafter.

VSAT licensees would be required to pay a one time entry fee. The basis for determining the entry fee and the basis for selection of additional operators will be recommended by the TRAI. Apart from the one time entry fee, VSAT licensees would also be required to pay license fee based on a revenue share. It is proposed that the appropriate level of entry fee and percentage of revenue share arrangement would be recommended by TRAI in a time-bound manner, keeping in view the objectives of the New Telecom Policy.

3.10 Electronic Commerce

On line Electronic Commerce will be encouraged so that information can be passed seamlessly. The requirement to develop adequate bandwidth of the order of 10 Gb on national routes and even terrabits on certain congested important national routes will be immediately addressed to so that growth of IT as well as electronic commerce will not be hampered.

3.11 Resolution of problems of existing operators

The New Policy Framework, which seeks to significantly redefine the competitive nature of industry, would be applicable to new licensees.

There are, however, multiple licenses that have been issued by the Government for cellular mobile services, basic services, radio paging services, internet services etc. It is the Government's intention to satisfactorily resolve the problems being faced by existing operators in a manner which is consistent with their contractual obligations and is legally tenable.

4.0 Restructuring of DoT

World-wide, the incumbent, usually the Government owned operator plays a major role in the development of the telecom sector. In India, DoT is responsible for the impressive growth in number of lines from 58.1 lakh on April 1, 1992 to 191 lakh in December 1998, showing a CAGR of 20%. DoT is expected to continue to play an important, and indeed, dominant role in the development of the sector.

Currently, the licensing, policy making and the service provision functions are under a single authority. The Government has decided to separate the policy and licensing functions of DoT from the service provision functions as a precursor to corporatisation. The corporatisation of DoT shall be done keeping in mind the interests of all stakeholders by the year 2001.

All the future relationship (competition, resource raising etc.) of MTNL / VSNL with the corporatised DoT would be based on best commercial principles.

The synergy of MTNL, VSNL and the corporatised DoT would be utilised to open up new vistas for operations in other countries.

5.0 Spectrum Management

With the proliferation of new technologies and the growing demand for telecommunications services, the demand on spectrum has increased manifold. It is, therefore, essential that spectrum be utilized efficiently, economically, rationally and optimally. There is a need for a transparent process of allocation of frequency spectrum for use by a service and making it available to various users under specific conditions.

The National Frequency Allocation Plan (NFAP) was last established in 1981, and has been modified from time to time since. With the proliferation of new technologies it is essential to revise the NFAP in its entirety so that it could become the basis for development, manufacturing and spectrum utilization activities in the country amongst all users. The NFAP is presently under review and the revised NFAP-2000 would be made public by the end of 1999, detailing information regarding allocation of frequency bands for various services, without including security information. The NFAP shall be reviewed no later than every two years and shall be in line with radio regulations of the International Telecommunications Union.

Relocation of existing Spectrum and Compensation:

- Considering the growing need of spectrum for communication services, there is a need to make adequate spectrum available
- Appropriate frequency bands have historically been assigned to defense & others and efforts would be made towards relocating them so as to have optimal utilization of spectrum. Compensation for relocation may be provided out of spectrum fee and revenue share levied by Government.
- There is a need to review the spectrum allocations in a planned manner so that required frequency bands are available to the service providers.

There is a need to have a transparent process of allocation of frequency spectrum which is effective and efficient. This would be examined further in the light of ITU guidelines. For the present, the following course of action shall be adopted.

- Spectrum usage fee shall be charged.
- Setting up an empowered Inter-Ministerial Group to be called as Wireless Planning Coordination Committee (WPCC) as part of the Ministry of Communications for periodical review of spectrum availability and broad allocation policy.
- Massive computerization in the WPC Wing will be started during the next three months' time so as to achieve the objective of making all operations completely computerized by the end of year 2000.

6.0 Universal Service Obligation

The Government is committed to provide access to all people for basic telecom services at affordable and reasonable prices. The Government seeks to achieve the following universal service objectives:

- Provide voice and low speed data service to the balance 2.9 lac uncovered villages in the country by the year 2002
- Achieve Internet access to all district head quarters by the year 2000
- Achieve telephone on demand in urban and rural areas by 2002

The resources for meeting the USO would be raised through a 'universal access levy' which would be a percentage of the revenue earned by all the operators under various licenses. The percentage of revenue share towards universal access levy would be decided by the Government in consultation with TRAI. The implementation of the USO obligation for rural / remote areas would be undertaken by all fixed service providers who shall be reimbursed from the funds from the universal access levy. Other service providers shall also be encouraged to participate in USO provision subject to technical feasibility and shall be reimbursed from the funds from the universal access levy.

7.0 Role of Regulator

The Telecom Regulatory Authority of India (TRAI) was formed in January 1997 with a view to provide an effective regulatory framework and adequate safeguards to ensure fair competition and protection of consumer interests. The Government is committed to a strong and independent regulator with comprehensive powers and clear authority to effectively perform its functions.

Towards this objective the following approach will be adopted:

- Section 13 of the TRAI Act gives adequate powers to TRAI to issue directions to service providers. Further, under Section 14 of the Act, the TRAI has full adjudicatory powers to resolve disputes between service providers. To ensure a level playing fields, it will be clarified that the TRAI has the powers to issue directions under Section 13 to Government (in its role as service provider) and further to adjudicate under Section 14 of the Act, all disputes arising between Government (in its role as service provider) and any other service provider.
- TRAI will be assigned the arbitration function for resolution of disputes between Government (in its role as licensor) and any licensee.
- The Government will invariably seek TRAI's recommendations on the number and timing of new licenses before taking decision on issue of new licenses in future.
- The functions of licensor and policy maker would continue to be discharged by Government in its sovereign capacity. In respect of functions where TRAI has been assigned a recommendatory role, it would not be statutorily mandatory for Government to seek TRAI's recommendations.

8.0 Other Issues

8.1 Standardization

To enable the establishment of an integrated telecommunications network, common standards with regard to equipment and services would be specified by the Telecom Engineering Centre (TEC). TEC would also continue to grant interconnect and interface approvals for various service providers.

8.2 Telecom equipment manufacture

With a view to promoting indigenous telecom equipment manufacture for both domestic use and export, the Government would provide the necessary support and encouragement to the sector, including suitable incentives to the service providers utilising indigenous equipment.

8.3 Human resource development and training

Human resources are considered more vital than physical resources. Emphasis would be placed on the development of human resources for all fields related to telecommunications and the dispersal of this expertise to the related fields. Such expertise shall also be made available to other countries.

8.4 Telecom research and development

Recognising that telecommunications is a prime pre-requisite for the development of other technologies, telecommunications research and development (R&D) activities would be encouraged. Government would take steps to ensure that the industry invests adequately in R&D for service provision as well as manufacturing. Indigenous R&D would be actively encouraged with a view to accelerate local industrial growth and hasten transfer of technology. Premier technical institutions would be encouraged to undertake R&D activities on a contribution basis by the telecom service providers and manufacturers so as to develop multi-dimensional R&D activities in telecommunications and information technology.

8.5 Disaster management

International co-operation in the use of terrestrial and satellite telecommunications technologies in the prediction, monitoring and early warning of disasters, especially in the early dissemination of information would be encouraged. Financial commitment to disaster management telephony and the development of appropriate regulatory framework for unhindered use of trans-boundary telecommunications would be put in place.

8.6 Remote area telephony

Rural Telephony, areas of North East, Jammu & Kashmir and other hilly areas, tribal blocks, etc. may be identified as special thrust areas for accelerated development of telecommunications. The Ministry of Defence shall be assigned a more active role in the development of telecommunications in such remote areas as are identified for accelerated development of telecommunications.

8.7 Export of Telecom equipment and services

Export of telecom equipment and services would be actively incentivised. Synergies among the various telecom players (manufacturers and service providers) would be exploited and used to provide integrated solutions for exports.

8.8 Right of way

Government recognises that expeditious approvals for right-of-way clearances to all service providers are critical for timely implementation of telecom networks. The Central/ State Government/ Local bodies/ Ministry of Surface Transport etc. shall take necessary steps to facilitate the same.

9.0 Changes in legislation

The Indian telecommunications system continues to be governed by the provisions of the Indian Telegraph Act, 1885 (ITA 1885) and the Indian Wireless Act, 1933. Substantial changes have taken place in the telecommunications sector since 1992. ITA 1885 needs to be replaced with a more forward looking Act.

Addendum to NTP-1999***No. 808-26/2003-VAS Dated the 11th Nov., 2003***

Given the central aim of NTP-99 to ensure rapid expansion of tele-density; given the unprecedented expansion of telecom services that competition has brought about; given the steep reductions in tariffs that competition has ensured; given the fact that advances in technologies erase distinctions imposed by earlier licensing systems; given the fact that even more rapid advances in technologies are imminent; given the steep reduction in costs of providing telecom services; given the rapid convergence of tariffs for wireless services; given the fact that the provision of such services at the cheapest possible rates and by the most reliable mode is the sine qua non for India to consolidate its position as a leading hub of Communications systems, Information Technology, IT enabled services, and of establishing itself as a leader in new disciplines such as bioinformatics and biotechnology; given the recommendations of TRAI in this regard; Government, in the public interest in general and consumer interest in particular and for the proper conduct of telegraphs and telecommunications services, has decided that there shall also be the following categories of licenses for telecommunications services:

- i. Unified License for Telecommunications Services permitting Licensee to provide all telecommunications/ telegraph services covering various geographical areas using any technology;
- ii. License for Unified Access (Basic and Cellular) Services permitting Licensee to provide Basic and /or Cellular Services using any technology in a defined service area.

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Annexure H

Broadband Policy, 2004

DOT File No. 813-07/03-LR

Preamble

Recognising the potential of ubiquitous Broadband service in growth of GDP and enhancement in quality of life through societal applications including tele-education, tele-medicine, e-governance, entertainment as well as employment generation by way of high speed access to information and web-based communication, Government have finalised a policy to accelerate the growth of Broadband services.

Demand for Broadband is primarily conditioned and driven by Internet and PC penetration. It is recognised that the current level of Internet and Broadband access in the country is low as compared to many Asian countries. Penetration of Broadband, Internet and Personal Computer (PC) in the country was 0.02%, 0.4% and 0.8% respectively at the end of December, 2003. Currently, high speed Internet access is available at various speeds from 64 kilobits per second (kbps) onwards and presently an always-on high speed Internet access at 128 kbps is considered as 'Broadband'. There are no uniform standards for Broadband connectivity and various countries follow various standards.

Government envision an accelerated growth in Internet penetration and PC as the success of Broadband would largely be dependent on their spread. It has been decided that following shall be the framework of the policy.

1.0 Broadband Connectivity

Keeping in view the present status, Broadband connectivity is defined at present as:

"An 'always-on' data connection that is able to support interactive services including Internet access and has the capability of the minimum download speed of 256 kilo bits per second (kbps) to an individual subscriber from the Point Of Presence (POP) of the service provider intending to provide Broadband service where multiple such individual Broadband connections are aggregated and the subscriber is able to access these interactive services including the Internet through this POP. The interactive services will exclude any services for which a separate license is specifically required, for example, real-time voice transmission, except to the extent that it is presently permitted under ISP license with Internet Telephony."

2.0 The estimated growth for Broadband and Internet subscribers in the country envisaged through various technologies is as follows:

Year Ending	Internet Subscribers	Broadband Subscribers
2005	6 million	3 million
2007	18 million	9 million
2010	40 million	20 million

3.0 Technology Options for Broadband Services

The Broadband Policy Framework visualises creation of infrastructure through various access technologies which can contribute to growth and can mutually coexist. Spread of infrastructure is a must for healthy competition and therefore it would be the endeavour of the Government that the telecommunications infrastructure growth in the country is not compromised in any manner.

3.1 Various access technologies, *inter-alia*, are:

(a) Optical Fibre Technologies

The fibre optics technology can provide nearly unlimited bandwidth potential and is steadily replacing copper network specially in intra-city backbone networks. This is being deployed in commercial buildings and complexes and some metros/ big cities having high-density potential broadband subscribers. Hybrid Fibre Coaxial (HFC), Fibre to the Curb (FTTC) and Fibre to the Home (FTTH) networks make use of fibre cabling into the last mile. The fibre based models are future proof as they are able to provide huge amounts of bandwidth in the last mile as well as provide a true IP and converged network that can deliver high quality voice, data and video.

There are more than 4.5 lakh route kms. of optical fibre laid by BSNL/ MTNL and more than 1 lakh route kms laid by private operators. The spread of the networks of private service providers have to play an important role in bringing the fibre to homes as well as the rural areas and they are expected to focus on it.

With the increase in commercial availability of fibre technologies, the cost of fibre rollout is approaching the cost of other wired networks. Spread of optical fibre networks shall be emphasised keeping in view the long-term perspective.

(b) Digital Subscriber Lines (DSL) on copper loop:

DSL has proved to be an important technology for provisioning of Broadband services through the copper loop. The owners of copper loop have to be given a high priority because their role is critical as key drivers in the Broadband service market using DSL.

Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) as well as other access providers are expected to aggressively use their copper loop infrastructure for providing Broadband services through this technology.

Recognising that last mile copper loop is not a 'bottleneck facility' for broadband services, access providers shall be free to enter into mutually agreed commercial arrangements for utilization of available copper loop for expansion of broadband services. The owner of local loop shall be free to decide the areas in which investment is to be made to upgrade the infrastructure for Broadband services. The information regarding the areas in which Broadband services are being offered by a service provider shall be available in the public domain.

Further, use of brand-name being treated as a part of the value shall be permitted in such commercial arrangements.

There are more than 40 million copper loops in the country available with BSNL and MTNL out of which 14 million loops are in rural areas. Copper cable network of these operators is a combination of old and new cable and this makes provisioning of Broadband on all the available copper loop technically unfit. Therefore, around 25-30% of the remaining 26 million loops, i.e. approximately 7 million loops can be leveraged for broadband service by BSNL and MTNL taking into account the condition/ life of copper cable and demand potential.

Management of BSNL and MTNL has decided to provide 1.5 million connections by the end of 2005. The corporate/work plan of these PSUs have been drawn up for this purpose. Thereafter, annual plan for expansion of Broadband services by BSNL and MTNL will be determined in consultation with them. A quarterly review of their performance by the Government in the Department of Telecommunications (DoT) shall be undertaken to evaluate the achievement and redefine the future roadmap, if necessary.

It is hoped that other access service providers would also provide broadband connections using their copper in a targeted manner. A constructive review of their performance shall also be undertaken.

(c) Cable TV Network

It is noted that cable TV connection as last mile infrastructure reaches more people than even the telephone copper infrastructure and can be leveraged in providing cable operators a new business model while giving a stimulus to Broadband penetration. Therefore, Cable TV network can be used as franchisee network of the service provider for provisioning Broadband services. However, all responsibilities for ensuring compliance of terms & conditions of the license shall vest with the Licensee. The terms of franchise agreement between Licensee and his franchisee shall be settled mutually by negotiation between the two parties involved.

(d) Satellite Media

Very Small Aperture Terminals (VSAT) and Direct-to-Home (DTH) services would be encouraged for penetration of Broadband and Internet services with the added advantage to serve remote and inaccessible areas.

It is the intention of the Government to make available transponder capacity for VSAT services at competitive rates after taking into consideration the security requirements. Department of Space is already interacting with VSAT service providers. Department of Telecommunications, in consultation with the concerned Ministries, will soon propose measures in the direction of Open Sky Policy for VSAT operators. The role of Department of Space is critical in such an endeavour.

VSAT service providers are permitted to transmit data up to 2Mbps instead of earlier limit of 512 kbps in a Closed User Group domestic VSAT network. The increased data rate allows new applications like bulk data transfer for software industry, high-speed backhaul links, in-house training using audio-visual etc. Reduction in antenna size enables easy installation, lower space occupancy, lower cost of hardware etc. Accordingly, the antenna size has been reduced to 1.2 metres and 2.4 metres for star network and mesh network respectively in extended C-band. In Ku-band also, 1 metre diameter antenna in star network has been permitted. To keep pace with technological advances, this shall be periodically reviewed.

Commercial VSAT service providers having ISP license shall be permitted use of same hub station and remote station to provide Internet service directly to the subscribers. Further, this remote station shall be permitted to be used as a distribution point to provide Internet services to multiple independent subscribers. Necessary amendments in the license agreement shall be carried out immediately.

DTH service providers shall be permitted to provide Receive Only Internet Service after obtaining ISP license from Department of Telecommunications. Further, ISP licensees shall be permitted to allow customers for downloading data through DTH after obtaining necessary permission from the competent authority. DTH Service providers will also be permitted to provide bidirectional Internet services after obtaining VSAT and ISP license from DoT.

(e) Terrestrial Wireless

Recognising that terrestrial wireless is another upcoming technology platform for Broadband, it has been decided in principle to de-license 2.40-2.48 GHz band for low-power outdoor use on non-protection, non-interference and non-exclusive basis. Necessary notification shall be issued. Further, notification regarding delicensing 2.40-2.4835 MHz band for low power indoor permitting use of all technologies, which inter-alia include those based on IEEE 802.11b and 802.11g standards, has been issued.

To accelerate penetration of Broadband and Internet, the 5.15-5.35 GHz band shall be de-licensed for the indoor use of low power Wi-Fi systems. For outdoor use, the band 5.25-5.35 GHz shall be de-licensed in consultation with DoS and delicensing in the band 5.15-5.25 GHz would be considered after the process of vacation. Alternative spectrum bands which are not in high usage and could be deployed for Broadband services, shall also be explored and identified.

(f) Future Technologies

In the changing technology scenario, there is a possibility of new options being used for provisioning of Broadband services. These technologies can also be utilised for provisioning of such services within the licensing framework of the service provider and the spectrum management policy of DoT.

3.2 Quality of Service (QoS)

As per TRAI Act, 1997, TRAI has to prescribe QoS parameters. Government recognises that QoS parameters are extremely important and have an impact on investment and roll-out decisions of operators. TRAI would be requested to prescribe QoS parameters for provisioning of broadband service using various access technologies at an early date.

3.3 Simplification of SACFA/ WPC clearance

The VSAT operators shall be allowed to start the installation process for VSAT terminals after a period of one month of submitting all relevant documents to WPC for SACFA/ WPC clearance wherever the total height of such installation is less than 5 meters above the rooftop of an authorised building.

In the case of Receive Only VSAT terminals and DTH with Receive Only Internet, no SACFA/ WPC clearance will be required wherever the total height of such installation is less than 5 meters above the rooftop of an authorised building.

Government have decided that the reference to WLL in IND49 of NFAP-2002 shall be deleted to promote use of indigenously developed technologies. This would enable service providers, other than basic service operators, to use the 1880-1900 MHz band for provision of various services under their license.

A transparent scheme is being outlined separately for time-bound frequency allocation, siting clearance and wireless licensing by removing the cumbersome procedures, computerisation and by setting predetermined standards.

4.0 Other Issues

4.1 Bandwidth availability including international bandwidth is a major driver for broadband services. In a competitive environment, service providers are expected to take appropriate steps for making required bandwidth available in a time bound manner within their license framework. Cost of bandwidth constitutes a major cost component for Broadband services. Government and TRAI would address this issue on priority. TRAI has already issued a consultation paper for international bandwidth leased line cost and is expected to address the issue shortly.

Government have recently decided to reduce the license fee for Infrastructure Provider category-II, who provides end to end bandwidth, to 6% of Adjusted Gross Revenue (AGR). Further, the amount of bank guarantee for such service provider has also been reduced to Rs.5 crores from Rs.100 crores.

4.2 National Internet Exchange of India (NIXI)

NIXI has been set up by DIT, Government of India to ensure that Internet traffic, originating and destined for India, should be routed within India. It is expected that NIXI will take appropriate steps for increasing the utilization of such facilities.

4.3 Role of other Agencies

PCs, content and applications are important constituents for overall growth of Internet and Broadband services. Broadband services will accelerate decentralised governance at Panchayat level.

The role of other facilitators such as electricity authorities, Departments of ITs of various State Governments, Departments of Local Self Governments, Panchayats, Department of Health and Family Welfare, Department of Education is very important to carry the advantage of Broadband services to the users particularly in rural areas.

4.4 Fiscal Issues

The Department of Telecommunications assigns a very high priority to indigenous manufacture of Broadband related equipments. It shall endeavour to work closely with the concerned Ministries and Manufacturers' Associations so that the equipments are available at an affordable price. The department is conscious of the fact that Broadband services can reach the urban and rural consumers only if services are offered at affordable and easy terms. Department of Telecommunications will work out a package in consultation with Ministry of Finance and related Departments as well as concerned service providers to achieve this.

DOT O.M. No. 813-7/03-LR dated 13.12.2004

Subject: **Amendment to Broadband Policy, 2004**

The following amendments to the Broadband Policy 2004 are hereby issued:

1. After 2nd sub-para of para 3.3, the following para is inserted, namely:
"Other wireless installations with antenna height less than 5 metres, above the rooftop of an authorized building, will also not require SACFA clearance for such antenna."
2. In para 3.1(e), the phrase "2.40 - 2.4835 MHz" is substituted with "2.40 - 2.4835 GHz".

(Jayant Kumar)
Director (LR-II)

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Annexure I

Monthly Remuneration of DOT's Officers and Staff

As of September 2007, the pay scales of various staff and officers in the Department are as follows.

1. Secretary	Rs. 26,000/- (Fixed)
2. Member	Rs. 26,000/- (Fixed)
3. Administrator, USO Fund	Rs. 22,400-525-24,500/-
4. Additional Secretary	Rs. 22,400-525-24,500/-
5. Adviser (Economics)	Rs. 22,400-525-24,500/-
6. Joint Secretary/ DDG/ Economic Adviser (SAG)	Rs. 18,400-500-22,400/-
7. Director/ Deputy Secretary (Other than CSS)	Rs. 14,300-400-18,300/- & Rs. 12,000-375-16,500/-
8. Assistant Director General (ADG)	Rs. 10,000-325-15,200/-
Central Secretariat Service Cadre	
9. Director/ Deputy Secretary	Rs. 14,300-400-18,300/- & Rs. 12,000-375-16,500/-
10. Under Secretary	Rs. 10,000-325-15,200/-
11. Section Officer	Rs. 6,500-200-10,500/-
Central Secretariat Stenographers' Service Cadre	
12. Senior PPS	Rs. 12,000-375-16,500/-
13. PPS	Rs. 10,000-325-16,500/-
14. PS	Rs. 6,500-200-10,500/-
15. PA (Steno Gr. "C")/ Asstts.	Rs. 5,500-175-9,000/-
16. Steno Gr. "D"/ UDC	Rs. 4,000-100-6,000/-
17. LDC	Rs. 3,050-75-4,590/-

Notes:

- All employees of the Department are placed in these pay scales according to the cadre to which they belong.
- They receive the remuneration with reference to their pay in the scales mentioned above along with the allowances as admissible from time to time.

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*“Knowledge conquered by labor
becomes a possession –
a property entirely our own.”*

- Samuel Smiles

CHAPTER 2

THE ACCOUNTS & FINANCE WING IN DOT

A. The Member (Finance)

The Secretary is the Chief Executive Officer, as also the *Chief Accounting Authority*, of the Department of Telecommunications. In the discharge of his latter role he is assisted by the Member (Finance), *ex-officio* Secretary to the Government of India.

The Member (Finance) heads the finance and accounts set-up in the Department and exercises the powers of the Government of India in financial matters concerning the department. S/he is *inter-alia* responsible for all financial and accounting operations, resource mobilization, management of revenue and control of expenditure within the department so as to achieve proper financial results while ensuring financial propriety.

The Member (Finance) is also the *Financial Adviser* to the department, and is responsible to the administrative Ministry as well as the Ministry of Finance as per M.O.F. O.M. No.10 (29) -E. Coord/ 73 dated 6th October 1975 (see the *Annexure* printed at the end of this chapter).

The Ministry of Finance recently redefined the role of Financial Advisers in the light of the rapidly changing economic scenario. The latest charter of duties for Internal Financial Advisers, prescribed by the Ministry of Finance *vide* their O.M. No. 5(6)/ L&C/ 2006, dated the 1st June 2006, is reproduced in the box below.

The **Internal Financial Adviser** will be in overall charge of Budget and Accounts Section in addition to the Internal Finance Section. It will be his duty—

- (i) to ensure that the schedule for preparation of budget is adhered to by the Ministry and the Budget is drawn up according to the instructions issued by Finance Ministry from time to time;
- (ii) to scrutinize budget proposals thoroughly, before sending them to Ministry of Finance;
- (iii) to see that complete departmental accounts are maintained in accordance with the requirements under the General Financial Rules. It should, in particular, be ensured that the Ministry not only maintains account of expenditure against the Grants or Appropriations directly controlled by it but also obtains figures of the expenditure incurred by the subordinate offices so that the Ministry has a complete month to month picture of the entire expenditure falling within its jurisdiction;
- (iv) to watch and review the progress of expenditure against sanctioned grants through maintenance of necessary Control Registers and to issue timely warnings to Controlling authorities where the progress of expenditure is not even;
- (v) to ensure the proper maintenance of the Register of Liabilities and Commitments as required under the G.F.Rs. to facilitate realistic preparation of budget estimates, watching of book debits and timely surrender of anticipated savings;
- (vi) to screen the proposals for supplementary demands for grants;
- (vii) to formulate the foreign exchange budget for the Ministry and to process individual cases for release of foreign

exchange in accordance with the instructions issued by Department of Economic Affairs from time to time;

- (viii) to **advise** the Administrative Ministry on all matters falling within the field of delegated powers. This includes all powers other than those devolving on a Ministry in its capacity as Head of Office. It has to be **ensured** by I.F.A. that the sanction issued by Administrative Ministry in exercise of delegated powers clearly indicates that they issue after consultation with I.F.A.;
- (ix) to identify, in particular, specific savings in cases of creation of posts and to maintain a Register for this purpose;
- (x) to scrutinize proposals for re-delegation of powers to subordinate authorities;
- (xi) to keep himself **closely associated** with the formulation of schemes and important expenditure proposals from their initial stages;
- (xii) to **associate himself** with the evaluation of progress/performance in the case of projects and other continuing schemes, and to see that the results of such evaluation studies are taken into account in the budget formulation;
- (xiii) to watch the settlement of audit objections, Inspection Reports, draft audit paras., etc.;
- (xiv) to ensure prompt action on Audit Reports and Appropriation Accounts, Reports of Public Accounts Committee, Estimates Committee and Committee on Public Undertakings;
- (xv) to screen all expenditure proposals requiring to be referred to Finance Ministry for concurrence or comments;
- (xvi) to ensure regular and timely submission to Finance Ministry of quarterly staff statements and other reports and returns required by Finance.

-- Taken from Swamy's Compilation of D.F.P.R.'s. (Appendix 2)

The material presented above suggests that the Ministry of Finance expects the IFA to perform a dual role: one, as its functional 'representative' in the administrative ministry/ department, and two, as an 'internal' officer of the said administrative department/ ministry. The latter part in turn comprises of a 'staff function' and a 'line function'.

To perform his duties and functions effectively, an IFA would need to possess a sound mix of professional financial management skills, intimate knowledge of the working of his ministry/ department, and also a capacity to harmonize and balance financial aspects with technical and other aspects of decision-making.

Needless to say, the IFA of a 'technical' department would inevitably face challenges that are qualitatively different in complexity from those encountered by his counterparts in non-technical departments.

If the IFA system is to deliver the results expected of it, the 'line' executives and the IFA have to both mutually appreciate and respect their roles and functions within the context of the constitutional and other dimensions of parliamentary form of government.

The following box reproduces the contents of a recent circular recently issued in DOT exhorting concerned officers to ensure that '*finance*' is invariably invited to meetings discussing matters having financial implications.

DOT No. 18-7/2007-O&M dated 12.03.2007

Subject: Representation of Nominees of Member (Finance) in Future Meetings – Instructions Regarding

The undersigned is directed to convey the observations of Secretary (Telecom.) with regard to meetings convened to discuss matters having financial implications in DoT.

It has been observed that sometimes the representative of Finance Division is not invited. It has, therefore, been desired by

Secretary (T) that in all such future meetings in the Department either the Member (Finance) or her representative is invariably involved.

This may kindly be noted for future compliance.

B. The Indian Posts & Telegraphs Accounts and Finance Service

The post of Member (Finance) in the Department of Telecommunications is an *ex-cadre* post. Below this level, all Group 'A' Finance and Accounts positions in DOT are manned by the officers belonging to the Indian P&T Accounts and Finance Service (IP&TAFS), Group 'A', which is an *organized service* under the Union Government. This Service was constituted in 1972 following the recommendations of the World Bank, which had called for creating a specialized cadre for professional handling of the accounts and financial management functions in the erstwhile combined (commercial) Department of Post and Telegraphs (P&T).

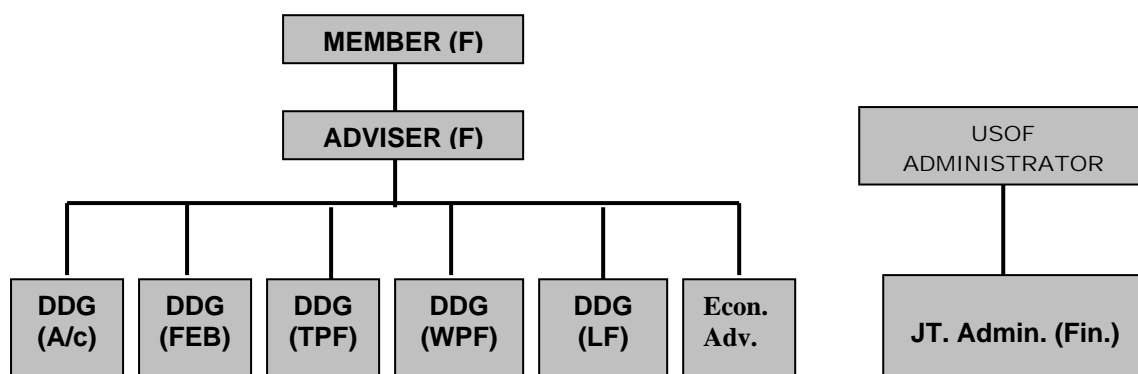
Officers of the Indian P&TAFS (Group 'A') are recruited through the common Civil Services Examination conducted annually by the Union Public Service Commission (UPSC). They have been serving (and continue to serve) the two Departments of Telecom and Posts at their headquarters as well as in their field units located all over the country, though the erstwhile P&T Department ceased to exist as a unified department since 1985.

The cadre controlling authority for the Indian Posts & Telegraphs Accounts & Finance Service, Group 'A' is the Member (Finance), DOT, who is assisted by Adviser (Finance) in the discharge of her/his duties. As on 1st April 2007 the *sanctioned* and *working* strengths of the IP&TAFS-Group 'A' were 420 and 165 officers respectively.

There also exist two Group 'B' branches of the Indian P&T Accounts and Finance Service, whose officers man the various Group 'B' posts in the two departments of posts and telecommunications separately.

C. Organization of the Finance Wing at DoT-HQ

1. The Finance Wing in the Department of Telecom consists of several branches, each headed by a Branch Officer mostly designated as *Deputy Director General* (DDG). The organization of the *finance* function at the headquarters of DOT at New Delhi may be illustrated by the following organization chart, which shows the reporting relationship of key finance functionaries, viz., DDsG and Joint Administrator – all in the *senior administrative grade* (SAG) of IP&TAFS.



2. In some cases the Branch Officers may be in the *higher administrative grade (HAG)*, when they are designated as Senior DDsG. As the diagram on the previous page shows, all Branch Officers in the A&F Wing of DOT report to Member (Finance) through Advisor (Finance), with the exception of Joint Administrator (Finance), who reports to the Administrator, USO Fund. The Member (Finance) however exercises functional control over him.

3. The broad functions performed by the Branch Officers in the Accounts & Finance Wing of DOT (HQ), apart from the usual ones relating to administration, audit paragraphs and parliament questions, may be summarized as follows.

3.1. Deputy Director General (Accounts)

1. Compilation of DoT's monthly accounts and their submission to the Controller General of Accounts (CGA), Ministry of Finance, by the 17th of every month.
2. Submission of March (Final) Accounts followed by the Statement of Central Transactions (SCT) to Finance Ministry.
3. Preparation of 'Annual Appropriation Accounts' and 'Material for Union Finance Accounts' and submission to Ministry of Finance.
4. Review of the monthly State of Work Reports received from CCA units covering various activities like retirement benefits, GPF, LS & PC, audit of pension paid vouchers etc.
5. Framing of accounting procedures and issuing guidelines/ clarifications on accounting matters, including payment of pension through banks & post offices.
6. Management of banking arrangements for DOT, and supervision of DDO (Cash & Pay Bill) functions of DOT (HQ) including MOC.
7. Checking of pension cases and other retirement benefits in respect of DOT (HQ) and BSNL Corporate Office and issue of PPO and other retirement pay orders.
8. Coordination work relating to Audit Paragraphs, PAC Paragraphs, etc. against the department of telecom and its PSUs.

3.2. Deputy Director General (FEB)

1. Establishment and Management of service matters for Indian P&T Accounts and Finance Service, Group 'A' and Group 'B'.
2. Framing/ amendment of Recruitment Rules, appointments and promotions in various cadres. Enlarging the scope of work and strengthening the service conditions.
3. Organizing and holding of DPCs for Group 'A' and Group 'B' officers of IP&TAFS.
4. Transfer/ posting of Group 'A' & 'B' officers of IP&TAFS in DOT/ DOP/ CCAs.
5. Training of Accounts & Finance personnel.
6. Creation/ retention of posts in DOT/ DOP, maintenance of service records/ fixation of pay for DOT officers.
7. Rendering financial advice in cases involving:
 - a. Staff standards and sanction of new posts in DOT.
 - b. Revision of pay-scales, grant of special pay, etc. and settlement of cases relating to CCA, HRA, TA, Pension, Gratuity, GPF and Welfare Fund, etc.
 - c. Examination of financial powers of units.
 - d. Vetting of presidential orders.
 - e. Other expenditure finance cases except those assigned to TPF and WPF Branches.

3.3. Deputy Director General (LF)

1. Review of license fee for operating Basic/ Cellular and other services.
2. Rendering financial advice in cases, and vetting of documents and audit paragraphs, etc., relating to Licensing Branches like AS, CS, and DS.

3. Collection and accounting of license fee dues, and ensuring proper maintenance of Financial and Performance Bank Guarantees submitted by the telecom operators.
4. Settlement of disputes and representations relating to assessment of License Fees, and handling of related court cases.
5. Analysis of TRAI's recommendations relating to licenses' financial aspects like license fee, entry fee, bank guarantees, etc.

3.4. **Deputy Director General (TPF)**

1. Preparation & processing of five-year and annual plan proposals of telecom sector; and mid-term appraisal of Plan schemes,.
2. Compilation and processing of Budget/ Revised Estimates, Supplementary Demands, and Final Grants, etc. in respect of Capital works, Working Expenses, Revenue Receipts, Interest Payments, Loans & Advances, etc.
3. Allotment of funds to units and periodic monitoring of their expenditure-progress.
4. Work relating to the Parliament's *Standing Committee on Information Technology on Demand for Grants*.
5. Telephone billing complaints addressed by MPs and VIPs to the Hon'ble MOC&IT, PMO, President's Secretariat and Cabinet Secretariat.
6. Co-ordination with the Telecom Regulatory Authority of India, TAS Group and SAARC Group on tariff matters.
7. Rendering finance advice in matters relating to PSUs and autonomous/ statutory bodies under DOT.

3.5. **Deputy Director General (Wireless Finance)**

1. Scrutiny of budget proposals of WMO and WPC at BE/ RE/ AFG/ FG stages.
2. Rendering finance advice on all expenditure proposals of WPC/ WMO having financial implications (including civil works, land acquisition cases, and payments to international organizations like ITU and APT).
3. Scrutiny and evaluation of tenders for imported and indigenous goods & services required by WPC and WMO.
4. Vetting of replies to DAPs, and of ATNs on C&AG Report paragraphs etc. framed by WPC and WMO.
5. Collection, accounting and assessments of spectrum charges (royalty and license fees) payable by BS, CMTS, UASL, Commercial-VSAT and PMRTS telecom service operators, and maintenance of Bank Guarantees submitted by them.
6. Settlement of disputes and representations concerning collection or assessment of spectrum charges, etc. and handling related court cases.
7. Scrutiny and advice all matters connected with spectrum charges, including TRAI's recommendations.
8. Review of rates of wireless license fee and royalty.

3.6. **Joint Administrator (Finance), USOF**

1. Reimbursement of losses in rural telephony on a net cost basis.
2. Verification of contributions to Universal Service Fund with reference to Adjusted Gross Revenue of service providers and license fee paid.
3. Bidding related activities including drafting of bids, periodic review of targets for bidding, issuing clarifications, arbitration, litigation, monitoring progress of implementation by successful bidders, coordination with field agencies regarding physical verification, etc.
4. Maintenance of proper records, Bank Guarantees, handling of Parliament Questions, court cases, audit paragraphs, exchange and collection of information with the Licensing branches in DOT.

D. Organization of the Finance Wing in the Field

The Department also has a number of A&F units in the field. Some of these are headed by officers in the *higher administrative grade*, some by those in the *senior administrative grade*, and the balance or by *junior administrative grade* officers. The designations corresponding to these three levels are, respectively, 'Senior Controller of Communication Accounts', 'Joint Controllers of Communication Accounts' and 'Deputy Controllers of Communication Accounts.' The key functions performed by the heads of these field units are as follows.

1. Sr./ Joint/ Controllers of Communication Accounts:

1. Pension authorization and issue of pension payment order for telecom pensioners including those retiring from MTNL/ BSNL.
2. Maintenance of GPF and Loans & Advances accounts (ledgers and broadsheets).
3. Collection & monitoring of License Fees (mostly as *revenue-share*) due from telecom operators; and verification of their Adjusted Gross Revenue (AGR) statements.
4. Collection and monitoring of Spectrum Charges (mostly as *revenue-share*) due from licensed telecom service providers as well as captive users of spectrum.
5. Maintenance, renewal and/ or revision (and, if necessary, invocation) of Financial Bank Guarantees submitted by the licensees to DOT.
6. Budgeting of revenues and expenditures.
7. Verification and processing of claims of successful bidders for USO subsidies.
8. Physical inspection of facilities and monitoring the progress of rural telephony works under USO schemes that have a bearing on the amount of subsidy to be disbursed.
9. Performing DDO functions for the offices of CCAs, WMO and VTM.
10. Handling various court cases (falling within the CCAs' territorial jurisdictions) in matters relating to license fees, spectrum charges, pension, absorption issues, etc.
11. Liaison with State Government departments and other organizations on behalf of DOT in specified matters.

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***If everybody was satisfied with himself,
there would be no heroes.***

-Mark Twain

ANNEXURE

Circulars on the IFA System

Department of Expenditure No. 10(29)-E. Coord/73 dated 06.10.1975

Subject: **Scheme of 'Integrated Financial Adviser'**

Under the existing scheme of budgetary and financial control and delegation of powers to Ministries as introduced vide this Ministry's OM No. 10(3)-E.Coord/67 dated 18th October, 1968, the Ministries have an Internal Financial Adviser, who is in charge of their Budget and Accounts Section and is required to be consulted in all cases of exercise of delegated financial powers and an "associate" Financial Adviser based in the Department of Expenditure, who is required to be consulted in matters falling outside the delegated field. The 'associate' Financial Adviser is attached to a group of Ministries. In pursuance of the policy of to delegate enhanced financial powers to the administrative Ministries to match their responsibilities and to improve their competence in the field of financial management by developing appropriate internal attitudes and skills, this question whether the functions of the 'associate' Financial Adviser and the Internal Financial Adviser would, with advantage be integrated in a single official, forming part of the administrative Ministry, has been under consideration. It has been felt that Ministry in a larger measure than at present to enable him to play a more effective and constructive role in its developmental activities and should bring his financial expertise to bear in assisting the Secretary of the administrative Ministry and other senior officers in the planning, programming, budgeting, monitoring and evaluation, functions of the Ministry. A scheme of 'Integrated' Financial Adviser has accordingly been drawn up in consultation with Department of Personnel & Administrative Reforms, the salient features of which are outlined in the Annexure.

2. In the new scheme, the Financial adviser will be responsible both to the administrative Ministry and to the Ministry of Finance. With the assistance, the administrative Ministry will be able to freely exercise the enhanced power delegated under the Department of Expenditure O.M. No. F.10 (13)-E.Coord/75 dated 10th April 1975 and outside the scope of the delegations, he will function under the general guidance of the Finance Ministry. He will assist in budget formulation, scrutiny of projects and programmes for approval by the Ministry of finance and post-budget vigilance to ensure that there are neither considerable shortfalls in expenditure nor unforeseen excesses for which provision has not been made either in the original budget or in the revised estimates. The close association of Integrated Financial Adviser and his staff with the formulation and implementation of all proposals involving expenditure should facilitate the more effective discharge of the Financial Adviser's responsibility. It is cardinal to the working of the new scheme that the Financial Adviser should be associated with the formulation of schemes from the initial stages. The Financial Adviser will also be responsible for preparation of the Ministry's performance budget and monitoring of progress of schemes against the budget. The maintenance of an efficient accounting system is necessary for this purpose.

3. In matters involving any deviation from the budgeting and accounting procedures, consultations with the Budget Division of the Department of Economic Affairs, will continue to be obligatory. Similarly, in respect of the formulation of the Ministry's development plans, Plan Finance Division in the Department of Expenditure would have to be consulted. The Public Investment Board (PIB) and Expenditure Finance Committee (EFC) procedure would also continue to be applicable, the Integrated Financial Adviser taking on the role at present discharge by the Establishment Division and the Staff Inspection Unit of the Department of Expenditure would also not be affected by the proposed changes.

4. In the first instance, the scheme will be introduced in the following Ministries/ Departments:

- (i) Health & Family Planning;
- (ii) Works and Housing;
- (iii) External Affairs;
- (iv) Education and Social Welfare;
- (v) Information and Broadcasting;
- (vi) Science & Technology; and
- (vii) Shipping & Transport (where the scheme has already been introduced as an experimental measure).

5. It is proposed to extend the scheme to other Ministries/ Departments soon thereafter.

6. Pending further consideration of the need for formation of centralized or decentralized, single or multiple level cadre of finance and accounts and scheme for absorption of the present associate finance staff in such cadres, in the initial stage, the Financial Adviser, the officers and staff working in the associate Finance Divisions in the Department of Expenditure will be transferred to the administrative Ministries as follows according to requirements:-

- Officers of services other than the Central Secretariat Service will be treated as on deputation to the administrative Ministry instead of to the Finance Ministry.

- Officers of the Central Secretariat Service including Grade I and selection grade will be treated as transferred to the administrative Ministry
- Members of the decentralized cadres of various grades of CSS will be transferred on loan basis from their present cadre to the cadre of the administrative Ministry on a purely temporary basis.

7. When the scheme is introduced, certain changes will be necessary in the organization structure in the administrative Ministry and in the Department of Expenditure. Creation/ abolition of some posts will be involved. The details of the revised organizational structure in the administrative Ministry out of the posts and personnel to be transferred from the Department of Expenditure to the administrative Ministry along with the work will be communicated to the respective Ministries separately.

8. The new scheme will be introduced in the Ministries/ Departments mentioned in para 4 as soon as suitable officers to man the posts of Integrated Financial Adviser become available. A separate communication will be sent to them in this respect.

9. The administrative Ministries/ Departments are also requested to make necessary arrangements for housing the additional staff to be transferred from the associate Finance Divisions in the same building, as such arrangements are essential for the proper functioning of the Scheme.

Department of Expenditure No. 5(6)L&C/2006 dated 01.06.2006

Subject: **Scheme of 'Integrated Financial Adviser'**

Under the existing scheme of Budgetary and Financial Control and Delegation of Powers outlined by this Ministry vide OM No. 10 (29) - E. Coord/ 73 dated 6th October, 1975 and subsequent instructions in this regard, the Ministries have a Financial Adviser who is responsible both to the administrative Ministry and the Ministry of Finance. With his assistance, administrative Ministries freely exercise the enhanced powers delegated to them and, outside the scope of the delegation, he functions under the guidelines of the Finance Ministry.

2. After the introduction of the Scheme, the Indian economy has matured and we are attempting to keep pace with the fast growing economies of the world. Therefore, it is imperative that our systems match the needs of a fast growing economy. The role of Financial Adviser assumes great importance in such a scenario and the scheme has been redefined in this context. The redefined Charter for Financial Adviser annexed to this memorandum outlines the features of the Revised Scheme of Integrated Financial Adviser.

3. This comes into force with immediate effect.

Annexure

(I) Introduction

The Scheme of Integrated Financial Adviser currently operates in accordance with Office Memorandum No. 10(29)-E-Coord/73 dated 6.10.1975 issued by the Department of Expenditure, Ministry of Finance. The scheme provides that the Financial Adviser would be responsible both to the Administrative Ministry and to the Ministry of Finance. The scheme also briefly indicates the functions of the Integrated Financial Adviser along with the modalities for functioning. A copy of the OM is appended (ANNEX-I).*

2. The last thirty years since introduction of this scheme have seen the Indian economy grow from a less developed stage to one of the fastest growing economies of the world. This growth has been the result of well structured economic reforms and conscious policy decisions. The last two decades have witnessed a plethora of reforms in monetary and fiscal management of the country. We have now reached a stage from where further progress requires a renewed effort. The second-generation reforms are throwing up complex challenges which, inter alia, call for a re-look at some of the institutionalized financial management systems.

3. The institution of Financial Adviser (FA) occupies a unique position in the functioning of Government of India. Having served well till now, time has come for it to be brought in sync with the fast changing socioeconomic scenario and attendant attitudes, processes and systems in the Governmental functioning. It is necessary that the role, authority as well as accountability of the Financial Advisers be redefined and codified in unambiguous terms, and their capacity enhanced to meet the emerging challenges. Ministry Finance has internally reviewed the scheme in this context, and the concept of redefined charter for the Financial Advisers, as outlined in the ensuing paragraphs.

4. The overarching concept in redefining the charter for Financial Advisers is that Financial Advisers are meant to assist in the achievement of objectives/ goals of their respective Administrative Ministries, as approved by the competent authority; and that they must commit themselves to facilitate implementation of the approved programmes, with due financial prudence, to ensure that monies allocated are spent on time, in the prescribed manner, to achieve the intended outcomes

defined in measurable and monitorable terms. Assisting Administrative Ministries in ensuring 'value for money' would be a key objective for Financial Advisers, with emphasis on improving the quality of expenditure and requisite systemic improvements / capacity building for this purpose. It may also be reiterated that FAs represent the Ministry of Finance in regard to all financial matters.

5. The more complex responsibilities envisaged for FAs must be accompanied by corresponding authority and capacity. It would, therefore, be necessary to ensure that FAs are suitably empowered, and appropriate measures are taken for capacity building both institutionally and individually. The organizational resources, structure and processes themselves may need to be augmented/ modified; and I.T. enabled systems, latest financial management practices, knowledge management structures etc. put in place.

(II) Role of Financial Advisers

6. The role of Financial Adviser is now conceived to be akin to the role of the Chief Financial Officer in a corporate structure, with specific responsibilities for ensuring fiscal prudence and sound financial management. They would bring requisite financial expertise, and overall perspective of financial management of the Government, as enunciated by the Ministry of Finance, in rendering professional advice to the Secretaries of the Administrative Ministries on all matters which have financial implications.

7. The role of Financial Adviser will be crucial for successful planning, implementation and monitoring of various schemes and projects. Value for money will be the most important parameter in evaluating such schemes and projects. Therefore, it is imperative that outlay for a scheme is intrinsically linked with the Outcome Budget and Performance Budget.

8. In rendering their advice the Financial Advisers would be expected to accord priority to macro management with a view to help in achieving the outcomes set by the Ministries as goals for themselves. These macro issues could include schematic appraisal and concept functions, revenue management, subsidy management, fiscal resource transfer issues, defining and evaluating outcomes besides maintaining and safeguarding the budgetary integrity, etc. FAs would also be expected to look at the total picture of resources for the sectors in which they are functioning, and assist the Secretaries of the Administrative Ministries in moving towards greater resource mobilization, including in terms of enabling policy and regulator framework to attract private sector funds. FAs would in no case be assigned any routine administrative functions of the Ministry.

9. Appendix 2 of DFPR is an indicator of overall expanse of duties and responsibilities of the Financial Adviser (ANNEX-II)**. However, following are some of the specific tasks which the FAs would be responsible for:

- (i) **Budget formulation:** FAs would continue to be responsible for budget formulation. They would bring in more analytical inputs into the budget formulation process, for improved budgeting and facilitating moving from 'itemized' to 'budgetary' control of expenditure. The present system relies largely on previous year's programme allocations and continuing commitments, without any real evaluation and expenditure analysis. FAs would now increasingly be required to assist the Administrative Ministries/ Departments in moving towards zero based budgeting, and assist in better *inter se* programme prioritization/ allocation within the indicated budgetary ceilings, based on analysis of expenditure profiles of each programme/ sub-programme and information on cost centres/ drivers; assessment of output, outcome and performance; and status) of the projects/ programmes (e.g. priority to last mile projects). Chief Controllers of Accounts/ Controllers of Accounts (CCAs/ CAs) will support them in this function. Such an analysis at the time of initial budget formulation should, over a period of time, help in enforcing hard budget constraints and reducing reliance on supplementaries. As the FAs' internal budgetary exercise becomes more rigorous, their involvement in MoF's budgetary processes will increase.
- (ii) **Outcome Budget:** Administrative Ministries now be required to prepare their respective 'outcome budgets' by late March each year, on the basis of the 'Annual Financial Statement' presented in the Parliament in February. The 'outcome budget' would reflect the outlays in terms of outcomes, defined in measurable and monitorable terms. Reasonability of budget estimates, vis-a-vis the intended outcomes will be ensured through specific appreciation of the unit costs of outcomes/ delivery. Major schemes should have built-in provision for their evaluation by independent agencies, which may be appointed by the Administrative Ministries and/ or Planning Commission/ MoF. FAs would be actively involved in the preparation of outcome budgets. They would also assist the Administrative Ministries in clear definition of measurable and monitorable outcomes with specified deliveries; setting up appropriate appraisal, implementation/ delivery monitoring and evaluation systems; and ensuring actual achievement of the intended outcomes.
- (iii) **Performance Budget:** Administrative Ministries will also be required to prepare their respective 'performance budgets' by late March each year, indicating the 'outcome' of the 'Outcome Budget' of the previous fiscal year at least upto December end. Thus, while Annual Financial Statement and Outcome Budget would be for the ensuing financial year, the Performance Budget would present the picture of actual achievements/ performance for the financial year gone by. FAs would be actively involved in, and coordinate under the overall direction of the Secretaries concerned, the preparation of performance budgets for their respective Administrative Ministries. In essence, Budget Formulation, Outcome Budget and Performance Budget must

link present, future and past in an integrated manner.

- (iv) **FRBM Related Tasks:** The Fiscal Responsibility and Budget Management Act requires the Government to place disclosure statements before Parliament along with the Annual Financial Statement and the Demands for Grants. CCAs/ CAs as heads of the Accounts wing shall render their professional expertise in the functioning of financial management system. FAs would be responsible for preparation of these statements in respect of their Ministry/ Department for incorporation in the consolidated statements compiled by the Ministry of Finance for the Government as a whole. FAs would also provide requisite information and material as input for FM's quarterly review of fiscal situation to be presented to the Parliament.
- (v) **Expenditure and Cash Management:** FAs would continue to be responsible for expenditure management and cash management. MoF's initiatives for better expenditure management through sophisticated exchequer control mechanisms would also be supported by FAs with improved cash management, through monitoring of monthly cash flows effectively in the context of cash expenditure/ commitments to be agreed to mutually between the MoF and the Ministries/ PSUs/ Autonomous Institutions. This would help tighten the system of receipts and payments monitoring, and secure greater convergence of revenue inflow and expenditure outflows, so that borrowing and thus debt charges can be minimized. FAs would also ensure that release of funds to State Governments/ other agencies is linked to the scheme-wise/ project-wise utilization certificate and audited expenditure of previous years. Utilization certificates should reflect outcomes or at least the physical outputs. FAs will also ensure that unspent balances with the State governments and other agencies are not transferred to Public accounts; and in case such transfer is permitted, these should be duly audited. The expenditure management function would also be closely linked to the 'outcome budget'. CCAs/ CAs will support FAs in the discharge of these responsibilities.
- (vi) **Project/ Programme Formulation, Appraisal, Monitoring and Evaluation:** Rigorous/ effective project/ programme formulation, appraisal, monitoring and evaluation are vital for high quality investment decisions and successful/ timely delivery of intended outcomes. The Administrative Joint Secretaries have to take the lead role in project/ programme formulation, implementation and monitoring. FAs should take the lead in ensuring high quality appraisal and evaluation with requisite rigor. MoF have issued clear guidelines in this regard, which need to be adhered to scrupulously.
- (vii) **Screening of Proposals:** FAs would be responsible for examining and forwarding all proposals, which need to be referred to any Department in the Ministry of Finance.
- (viii) **Leveraging of Non-budgetary Resources for Sectoral Development:** FAs would assist the Administrative Ministries in evolving strategies for optimizing private sector investment and Public-Private Partnership in the sector, through enabling policies/ schemes and appropriate regulatory framework, formulating projects for external funding, and taking innovative measures for leveraging of non-budgetary resources for sectoral development. In addition, the present role of FAs in assessment and leveraging of IEBR for investment programmes of the Public Sector Undertakings will continue.
- (ix) **Non-tax Receipts:** Non-tax receipts have assumed greater significance in the context of the need to limit fiscal and revenue deficits, as mandated in the Fiscal Responsibility and Budget Management (FRBM). An optimum non-tax receipt budget would, therefore, be prepared by FAs, in consultation with the Administrative Divisions. FAs would, thereafter, periodically review the various non-tax revenue receipts under control of the Ministry/ Department to which they are assigned, in the context of market trends and other sectoral developments. FAs would need to act as a catalyst in moving towards a regime in which the user charges recover the cost of service fully or substantially, as per the Government policy in this regard, and in case of only partial recovery to ensure that the subsidy element is clearly quantified. In the case of rent, license fees, royalties, profit share and dividends, the duties of FAs would include conducting periodical reviews, and giving their considered comments and recommendations regarding the reasonableness of return to the Government on the deployed public resources. CCAs/ CAs shall assist FAs in relation to estimation and flow of non-tax revenue receipts.
- (x) **Tax Expenditure:** FAs would also monitor tax expenditures, i.e., the revenue foregone by Government on account of various exemptions and concessions. This is important since tax expenditure constitute a significant part of overall Government spending. Within the Administrative Ministry, such proposals should be routed through the Financial Advisers before finalization.
- (xi) **Monitoring of Assets and Liabilities:** Each Ministry must have a comprehensive record of its assets and liabilities. FAs would cause appropriate action for initial building up of such records and their on-going updation, as also for the maintenance and optimum utilization of the assets. Government guarantees should also be monitored. FAs in Ministries with significant real estate assets/ property (land, buildings etc.) will cause a critical analysis of their utilization, including review of property encroached upon, property involved in disputes/ court cases etc., and also be the catalyst to ensure necessary action for their availability and fullest utilization. The progress would be regularly reviewed and corrective action taken on an on-going basis.
- (xii) **Accounts and Audit:** FAs would be kept informed about the overall quality of maintenance of departmental

accounts by their respective CCAs/ CAs. FAs would also regularly review the progress of internal audit and action taken thereon, so as to make it an important tool for financial management. Action taken on audit pears may also be monitored on a regular basis.

- (xiii) **Procurement and Contracts:** Significant amount of monies are spent by Government on procurements and contracts. FAs would be required to set up strong internal systems to ensure due diligence and strict observance of MoF's guidelines in this regard. (The guidelines are being revised, and new guidelines are expected to be issued shortly).
- (xiv) **Financial Management Systems:** FAs would periodically review the financial management of the various Programmes/ Projects of the Ministry from the systems point of view, and take appropriate action for making the financial management systems more effective.
- (xv) **Nominee Director on Boards of Public Sector Undertakings:** Financial Advisers are often Government's nominee Directors on Boards of Public Sector Undertakings (PSUs). This role assumes increasingly more important dimensions with the greater autonomy being granted to PSUs. FAs would need to bring strong requisite expertise to bear on all major issues considered by the Boards. Separate guidelines will be issued regarding the nomination and functioning of FAs as Directors of Boards of PSUs, in consultation with the Department of Public Enterprises.
- (xvi) **Use of Technology:** Increased use of technology as an advanced tool, especially communications and information technology, should be encouraged not only in his division but also in the domain of Ministries/ Departments with the view to ensure better utilization of resources available with the Government and improved delivery of public services to achieve the intended results. Economy, efficiency and effectiveness would be the guiding principles.

(III) Involvement in Key Processes of Ministries

10. It is important that FAs are fully involved in the key processes/ activities of Administrative Ministries which have clear economic and financial dimensions. Administrative Ministries shall, therefore, invariably involve FAs in all such activities and decision making processes which would, *inter alia*, include the following but may not be limited to:

- Formulation of annual/ 5-year Plans, and other important consultations with Planning Commission like mid-term appraisal.
- Preparation of 'outcome budget', 'performance budget' and evaluation of actual outcomes.
- All proposals for consideration of CNE/ SFC/ EFC/ PIB/ Cabinet/ Cabinet Sub-Committees, or otherwise referred to the Ministry of Finance.
- Externally aided projects, and other strategies to encourage larger resource mobilization for the sector, including through Public Private Partnership (PPP), appropriate regulatory structures etc.
- Policy/ programme formulation and other major decisions, to facilitate proper appreciation of the consequential financial implications.

11. Ministry of Finance has been increasingly moving towards macro management of issues, and delegating more powers to the Administrative Ministries. This delegation is reviewed periodically and is suitably enhanced as and when required. As such, the Financial Advisers have adequate financial powers. Exercise of these powers, and necessary financial analysis, may require the FAs to call for relevant records/ reports/ files relating to various decisions, contracts etc. FAs' involvement would, therefore, specifically include the **right of access** to all records, reports, audits, reviews, documents, papers, recommendations or other material which are the property of the Ministry/ Department, or which are available to the Ministry/ Department, and which relate to programmes and operations with respect to which that Ministry/ Department calls for accounts, data and reports.

12. FAs would be consulted in all cases relating to the exercise of the delegated financial powers. While normally FAs' advice would be expected to be adhered to, there could be instances/ cases in which the Administrative Ministries feel that there are valid reasons for some modification/ deviation. In such rare instances, Secretaries of Administrative Ministries can exercise their power to overrule FAs' advice by an order in writing.

(IV) Reporting Systems

13. FAs will be required to prepare an '**Annual Finance Report**', which would be a factual report indicating the operational aspects of financial management of the Department/ Ministry, including information on the resource requirement, pattern of expenditure with reference to outlay/ budget, opening and closing unspent balances, opening and closing position of utilization certificates, position of non-tax revenue (user charges, dividends, etc.) with reference to previous year, FRBM related activities etc, and suggestions for improvement.

14. FAs would also be required to furnish an '**Annual Outcomes and Systems Report**', which would give factual information regarding the outcomes achieved *vis-à-vis* intended (as per Outcome Budget), policy and systems changes/ improvements and action-taken/ results achieved in regard to those aspects of FA's role which are not included in the

Annual Financial Report.

15. 'Annual Financial Report' and 'Annual Outcomes and Systems Report' would be factual reports to be submitted to Secretary (Expenditure), through the Secretary of the Administrative Ministry, **by June 30** of the next financial year. The 'Annual Financial Report' would be prepared on the basis of the information contained in the provisional accounts released by the Controller General of Accounts in the month of May. The **structure** of the reports will be intimated separately.

16. In addition to the above, FAs would be mandatorily required to send **disclosure statements** concurrently to the Secretary of the Administrative Ministry and Secretary (Expenditure) whenever there are deviations from, or violation of, the provisions in paras 13-15 above. They may also be required to send any other information/ report periodically, or as sought from time to time.

(V) Roles and Responsibilities of CCAs/ CAs

17. As the overarching concept now adopted is that the Financial Advisers are meant to assist in the achievement of objectives/ goals of their respective administrative ministries it follows that the role of Chief Controller of Accounts (CCAs)/ Controller of Accounts (CAs) should undergo a parallel change as the basic accounting and financial data related inputs for the Financial Advisers come from the CCAs/ CAs. In the last three decades the role of CCAs/ CAs has undergone subtle, unrecorded changes that need to be formally spelt out and institutionalized in precise and unambiguous terms. Not only do the accounts wings operating under CCAs/ CAs need to catalyze changes in existing system protocols in order to synergise and integrate all interrelated aspects with the changing paradigm of financial management they in turn need to be strengthened and empowered to effectively cope with the changed demands made on them.

18. The CCAs/ CAs as head of the accounts wing would, under overall superintendence and control of respective Financial Advisers, discharge their duties and responsibilities within the ambit of their respective administrative ministries lending their professional expertise to provide Accounting and Accountability support.

19. The spectrum of work, for which CCAs/ CAs will be responsible, in the revised outcome driven financial and accounting regime, are enumerated below:

(i) Receipts, Payments and Accounts:

- Accurate and timely payments in conformity with prescribed rules and regulations.
- Timely realization of receipts.
- Timely and accurate compilation and consolidation of monthly and annual accounts.
- Efficient service delivery to the Ministry/ Department by the banking system.
- Adherence to prescribed accounting standards, rules and principles.
- Timely, accurate, comprehensive, relevant and useful Financial Reporting.

(ii) Internal Audit/ Performance Audit:

The Internal Audit Wings working under the control and supervision of the CCAs/ CAs shall assist the Financial Advisers in the appraisal, monitoring and evaluation of individual schemes. Moving beyond the narrow myopic confines of compliance/ regulatory audit Internal Audit would focus on:

- Assessment of adequacy and effectiveness of Internal controls in general, and soundness of financial systems and reliability of financial and accounting reports in particular;
- Identification and monitoring of risk factors (including those contained in the Outcome Budget);
- Critical assessment of economy, efficiency, and effectiveness of service delivery mechanism to ensure value for money; and
- Providing an effective monitoring system to facilitate and course corrections.

(iii) Other Financial Management Activities:

- Budget formulation including the 'Outcome' and 'Performance Budget'.
- Expenditure and Cash Management.
- Estimation and flow of non-tax revenue receipts.
- Monitoring of Assets and Liabilities.
- Disclosure and reporting requirements under FRBM Act.

(VI) Interaction between MOF and FAs

20. The system of interaction between the MoF and FAs would be institutionalized to facilitate better two-way communication and development of shared perspectives on financial issues. The Administrative Ministries would be clustered in three groups for this purpose, viz. economic/ infrastructure sector, social sector and other Ministries. Secretary (Expenditure) would be meeting the FAs of each of these groups once in a quarter. These interactions will provide a forum to share the vision, priorities and concerns with the FAs who, in turn, would get an opportunity to apprise MoF about their activities, important developments and problems.

21. The quarterly interactions between the FAs and Secretary (Expenditure) would *inter alia*, cover the following areas:

- Implementation/ compliance of decisions taken in FM's quarterly meetings.
- Discharge of responsibilities detailed in this charter, specifically the functions defined in para 8 above.
- Initiatives taken as a catalyst for policy formulation/ review and systems' improvements in the concerned Ministries.
- Identification of points for action on emerging sectoral issues, including potential opportunities within the Sector/ Ministry.
- Major proposals/ projects currently in different stages of preparation/ approval by the Administrative Ministries, for the consideration of CNE/ EFC/ PIB/ Cabinet/ Cabinet Sub Committees.

22. The interactions could also be used for reviewing progress on MoF's specific priorities, as also those outlined in the Budget. Specific agenda items may also be developed for FM's quarterly meetings with FAs, on the basis of these monthly interactions.

(VII) Capacity Building

23. The Integrated Finance Division may require strengthening in some Ministries for assisting the Financial Adviser in his redefined role. Such strengthening may include need for using information technology, setting up knowledge management structures, building requisite data bases, networking with relevant institutions/ expert bodies etc. It may also require changes in the various decision making processes, conflict resolution, problem solving, programme/ project formulation/ appraisal, monitoring, evaluation etc., and delegation by FAs within their own divisions. The staff/ officers would also require specialized training for rendering better professional advice. In addition, consultants may be required for specific tasks from time to time.

24. At the beginning of each Financial Year, the Financial Advisers should review the existing expertise, structure and processes of the Integrated Finance Division (IFD) under their respective charges, to assess/ evaluate its strengths, weaknesses and potential for development. In doing so, the expertise available in the set-up of CCAs/ P&AOs would need to be fully taken into account. FAs would also need to duly assess the expertise, knowledge, skills and equipment (computers/ internet etc.) required for effective functioning of the IFD. On the basis of this analysis, FAs would formulate by June 30, each year, specific time bound Action Plans for such organizational strengthening and changes as may be required. They would also need to put in place a strategy for further development of requisite skills etc., through training of existing staff and their replacement by suitably qualified personnel, wherever necessary. Creation of posts may be avoided while strengthening/ restructuring the IFDs. Instead, proposals for engaging consultants for a limited time, under GFR 2005, may be sent for approval of Secretary (Expenditure), through the Secretary of the Administrative Ministry, if considered absolutely essential. An 'IFD Manual' would be prepared in due course, to facilitate more effective functioning of the Integrated Finance Divisions.

25. An institutionalized system would be set up by the Department of Expenditure for organizing periodical workshops, seminars and training for Financial Advisers and the officers, and for helping FAs in preparation of induction material for different level of functionaries working under them. At the beginning of each Financial Year, not later than June 30, the Financial Advisers should indicate to the Department of Expenditure, the training needs of their respective IFDs, areas where they want opportunities for their own capacity development, and assistance required to facilitate meeting of these needs. Basic skill upgradation areas could include Government accounting, commercial accounting, project appraisal, financial analysis, corporate governance etc. Policy related and sector-specific training could include public-private partnership, contract management, negotiation, risk management mergers and acquisitions etc.

26. FAs would be the nodal points within their respective Ministries for all activities relating to Plan, Budget and Programme/ Project evaluations. As such, any units in the Ministry currently looking after the functions of undertaking evaluations, preparing Annual/ Five Year Plans etc. should function under the overall supervision and control of the Financial Adviser.

27. Over a period of time, the enhanced capacity and expertise of IFDs, coupled with increased delegation of purely routine financial activities to the Administrative Divisions of the Ministries, would enable FAs to take on a more active macro-management role. This will also significantly enhance FAs' role in, and value-addition to, the budgetary management and project/ programme appraisal processes. FAs would also be expected to build-up an appropriate system of networking with Financial Advisers of autonomous Organizations and institutions within their respective sectors, which are receiving budgetary support, to ensure optimum utilization of the resources.

* Printed at the beginning of this Annexure.

** Printed at the beginning of this chapter under "A. The Member (Finance)".

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Part II

The Accounts & Finance Branches at DOT Headquarters

"Carefully kept accounts are a sine qua non for any organization. Without them it falls into disrepute. Without properly kept accounts it is impossible to maintain truth in its pristine purity."

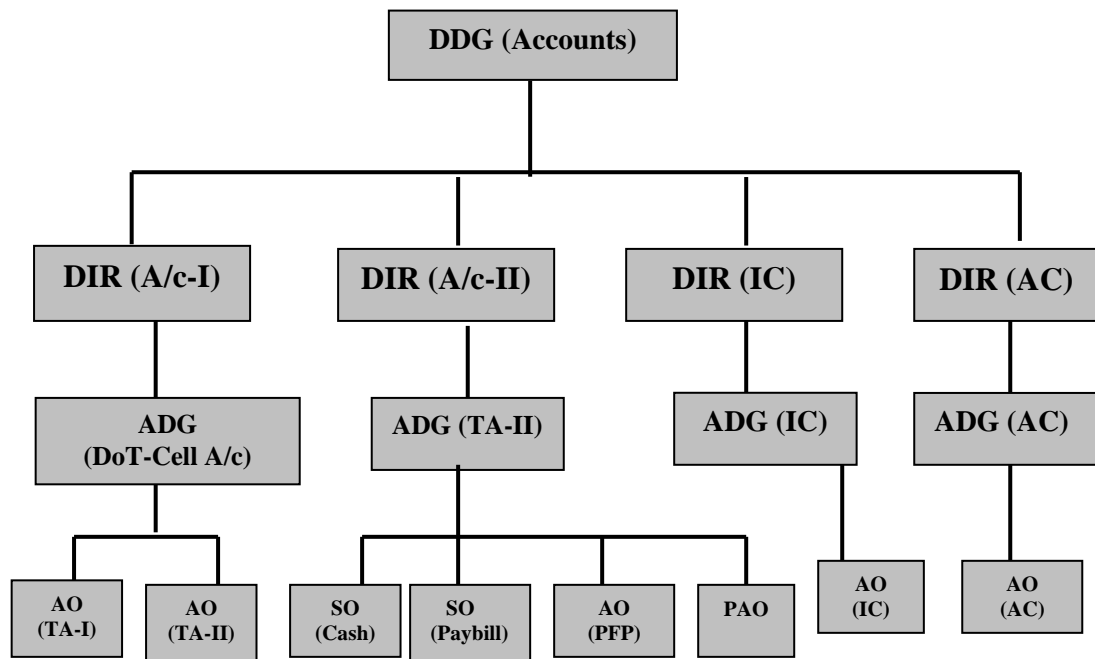
- M. K. Gandhi

CHAPTER 3

ACCOUNTS BRANCH

A. Introduction

DDG (Accounts) is the administrative head of this Branch. S/he is assisted by four directors, viz., Director (Accounts-I), Director (Audit Coordination), Director (Accounts-II) and Director (Internal Check). The Directors are in turn supported by other officers as shown in the organization chart given below.



The main function of the Accounts Branch is the compilation of monthly and annual accounts of the department in accordance with the accounting policy guidelines framed by the Ministry of Finance, Government of India. In addition, this branch is also responsible for audit coordination and internal audit.

The Audit Coordination unit was formed in 2002, the basic functions being, as the name suggests, coordination and monitoring for receipt and disposal of Draft Audit Paragraphs, C&AG's Reports, Public Accounts Committee (PAC) Reports and Committee on Public Undertakings (COPU) Reports relating to DOT. The procedural instructions for disposal of audit paras are included towards the end of this chapter.

The Internal Check Unit was established in August 2003. It was conceived as an internal control mechanism to enforce rules and procedures and pre-empt serious audit objections. The questionnaire used by the Internal Check unit for inspecting the offices of CCAs/ Jt. CCAs is also included at the end of this chapter as *Annexure-I*.

B. Items of Work

B1 Director (Accounts-I)

B1.1 Telecom Accounts-I Section

1. Formulating accounting procedure for the Ministry/ Department of Telecom and among the PSUs of DoT.
2. Issuing clarification on accounting procedures to DoT Cells/ BSNL/ MTNL Bank/ Audit/ CGA.
3. Monitoring and settlement of dues between DoT and MTNL/ BSNL/ VSNL etc.
4. Policy for payment of pension through public sector banks, printing of books on pension payment procedure through banks for notification to all concerned Government agencies.
5. Updating of Telecom Accounts Manual, Appendix -V its printing and distribution.
6. Coordination of work of branches under DDG (Accounts).
7. Cases of payment of interest on GPF beyond six months referred by 'DoT Cells'.
8. Control of 'focal point system' of banks with unit/ Apex committee matters.
9. Draft Audit Para/ PAC Para/ Parliament Questions related to TA-I Section.
10. Arrangement of banking system for DoT units.
11. Pension complaint cases (with respect to disbursement etc.)
12. Computerization of work of CCA Offices.
13. Arranging CCA workshops.
14. Apex Committee meetings.
15. Dematerialization of TDS.

B1.2 Telecom Accounts-II Section (TA-II)

1. Receiving Monthly Accounts from CCAs.
2. Preparation and submission of monthly accounts to GCA.
3. Preparation of Statement of Central Transaction.
4. Preparation of Annual statement of Union Finance Accounts.
5. Preparation of annual statement of Appropriation Accounts.
6. State of Work Report.
7. Monthly confirmation of RBI Balance from CCAs.
8. New Pension Scheme.
9. Review of Accounts.
10. Review of Balance (ROB).
11. TACT Package and TACT Programme and Account Code Directory.
12. Flash figures to CGA, Ministry of Finance.
13. Monthly receipt and expenditure figures on website.

B2. Director (Accounts-II)

B2.1 Cash Section

1. Preparation of all types of contingency bills on the basis of sanctions issued by various authorities of Ministry of Communications, Deptt. of Telecom and WPC.
2. Preparation of all contingent bills.
3. Preparation of Monthly reimbursement of newspaper bills for DDsG and above.

4. Preparation of Quarterly reimbursement of newspaper bills for Gazetted officers of MOC/ DOT/ WPC.
5. Preparation of monthly conveyance reimbursement bills of MOC/ DoT.
6. Entry of out-of-account recoveries in the Acquaintance Rolls of DoT/ WPC/ MOC.
7. Effecting recoveries ordered by the courts.
8. Framing of Budget Estimates and Revised Estimates in respect of Telecom Directorate and Ministry of Communications after collection of booked expenditure from PAO (HQ), DoT.
9. Drawal of cash from bank and disbursement of all kinds of payment to officers and staff of DoT/ MOC and others.
10. Maintenance of Cash Book, UD Registers and RBI Credit Register.
11. Collection of cheque, keeping a record in the cheque register and dispatch of third party cheques.
12. Preparation of bills for payment of Commutation, Gratuity etc.
13. Deduction of annual subscription from salary bills for Staff Unions.
14. Dealing with PAC and Draft Audit Paras and Parliament questions relating to the Section.
15. Scrutiny of TDS Certificates, tallying with the bills and dispatch to the concerned parties after verification.
16. Preparation of TA Bills for Minister of Communications/ Minister of State for Communications.
17. Submitting the TA Bills, Salary Bills, for Minister of Communication/ MOSC to Cabinet Secretariat and collection of cheque from Cabinet Secretariat.
18. Depositing the salary cheque along with cheque details in Central Bank/ IOB/ PNB.
19. Filing of quarterly returns of deduction of tax payments other than salary under Income Tax Act, 1961.

B2.2 Provident Fund and Pension Section (PFP)

1. Scrutiny of pension paper of officers/ officials retiring on attaining the age of superannuation or otherwise or on their permanent absorption in Public Sector Undertakings. Issuance of Pension Payment Orders to concerned authorities for payment of Pensionary benefits to staff of DoT (HQ), BSNL corporate office, erstwhile Ministry, Monitoring Organization Headquarters (Pushpa Bhawan); counter signature on pension payment orders received from CCA, Maharashtra in respect of VSNL employees covered under CCS Pension Rules. Monitoring Foreign Service contributions. Maintenance of Broadsheet for leave salary contribution and pension contribution and watching their recoveries for officers deputed from DoT (HQ), BSNL corporate office, erstwhile Ministry and W. M.O. (Pushpa Bhawan).
2. Maintenance of GPF of Ministry, DoT (Hqrs), Monitoring Headquarter (Pushpa Bhawan) and corporate office BSNL. Issue of certificate of balances for each head of staff annually.
3. Transfer of GPF balances of officials of Ministry, DoT (HQ), Monitoring Stations and Corporate Office BSNL to other Pay and Accounts Officers on transfer.
4. Maintenance of GPF Broadsheets in respect of all mentioned above.
5. GPF final payment cases of all the officials of Ministry, DoT Headquarters, Monitoring Headquarters (Pushpa Bhawan) and BSNL Corporate Office.
6. Correspondence relating to all the above items.
7. Maintenance of general orders and various work of a routine and administrative nature.

B2.3 Pay Bill Section (PB)

1. Preparation of Pay bills, supplementary bills and payslips of DoT officers and staff.
2. Posting in Acquittance Rolls for disbursement of monthly salaries.
3. Drawing of O.T.A./ honorarium and other bills.
4. Recovery of income tax.
5. Verification of applications and preparation of bills for GPF (advances and final withdrawals) Cycle/ Scooter/ Car advances and Festival/ Fan advances etc.
6. Recording service verification certificates in Service Books of staff of DoT Hqrs.
7. Sending recovery schedules for license fee payable to the Directorate of Estates.

8. Sending recovery schedules for license fee to Departmental quarters maintenance units.
9. Submission of recovery schedules for Postal Life Insurance (PLI) premium to the Deputy Director, PLI, Kolkata.
10. Final payment bills under the Central Government Employees Insurance Scheme on retirement, resignation from service etc.
11. Issue of monthly/ annual income certificates.
12. Issue of Last Pay Certificates (LPCs).
13. Calculation of Leave Salary.
14. Issue of House Rent Allowance Certificates for gazetted and non-gazetted staff.
15. Payment of washing allowances from January every year.
16. Calculation of interest for short term-long term advances and issue of certificates.
17. Issue of "No dues certificates".
18. Issue of Form No.-16 to officers/ officials
19. Issue of Form No.-24 to Income Tax Office.

B2.4 Pay & Accounts Officer (PAO)

1. To pre-check claims of DOT (HQ), and to issue cheques for admitted claims.
2. Preparation of A/cs and maintenance of subsidiary books of accounts.
3. Handling banking transactions (with RBI) and effecting bank reconciliation.
4. Settlement of inter Ministry/ Inter Departmental claims in respect of DoT.

B3. Director (Internal Check) (IC)

1. Review and examination of cases in all DoT units for due diligence, observance of rules, procedures and valuation of internal control systems; detection of fraud, misappropriations, errors, omission and commissions and reporting to Member (F), raising of inspection notes and settlement of observations.
2. Framing of IC programme for every half year.
3. Release of IC reports.
4. Admittance of IC report items.
5. Compilation of data, reports for annual submission
6. Inspection of Accounts of CCAs and other units as per prescribed questionnaire.
7. Submission of Inspection Report of AO (HQ)

B4. Director (Audit Coordination) (AC)

1. Receiving Draft Audit Paras proposed by DG Audit and forwarding them to concerned sections of DOT for arranging replies.
2. Co-ordination work for calling replies and sending to DG Audit duly authenticated.
3. Receive and scrutiny of C&AG Reports (P&T) and (Commercial), forwarding of extract of paras to concerned officers of Directorate for submission of ATNs.
4. Authentication of approved ATNs on C&AG reports, before sending the case file to Audit for their vetting.
5. Coordination work between different sections of DOT/ PSUs and Audit for calling ATNs and getting these vetted by Audit.
6. Arranging modification of ATNs received back from Audit with observations.
7. Forwarding the vetted ATNs on C&AG Reports to Monitoring Cell of Ministry of Finance/ Lok Sabha Sectt. and others.
8. Coordination work with PAC and COPU for paras selected by them for detailed examinations and Study Tours for spot discussions.
9. Receiving Public Accounts Committee (PAC)/ COPU Reports and forwarding of extract of the Reports to the concerned officers of Directorate for submission of ATNs.

10. Authentication of approved ATNs on PAC/ Committee on Public Undertaking (COPU) Reports, before sending the case file to Audit for their vetting.
11. Forwarding the vetted ATNs on PAC/ COPU Reports to Lok Sabha Secretariat, Monitoring Cell of MOF and others.
12. Correspondence will) Audit Monitoring cell of MOF/ Lok Sabha Sectt. (PAC branch) on submission of ATNs.
13. Periodical review of pending cases.
14. Preparation of Weekly Telecom Commission Memo on pendency of Audit/ PAC matters etc.
15. Submission of Monthly report showing progress of settlement of commercial paras of C&AG (Commercial) Reports
16. Submission of Monthly monitoring statement of pendency of Audit/ PAC/ COPU/ DAP cases to Telecom Commission.
17. Review of quarterly reports of outstanding audit objections and Inspection Reports in DOT Cells (*now* CCA units).
18. Fixation of targets and review of pending Audit objections/ IR paras in DOT.
19. Scrutiny and disposal of Parliament Questions.
20. Laying of C&AG Reports (Telecom Sector-Commercial) through MOS(C) on the tables of both the Houses of Parliament.
21. Forwarding of files to Audit for vetting of approved ATN/ List of Points (LOP) etc.

C. Channel of Submission and Final Disposal of Cases

C1. Director (Accounts-I)

C1.1 TA-I Section

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Posting and transfer of staff within Telecom Accounts Section (a) AAO/ AOs (b) Others	ADG ADG	DIR/ DDG
2	Cases relating to payment of interest of GPF beyond 6 months up to one year referred by field units	ADG	DIR
3	Cases relating to payment of interest of GPF beyond one year referred by field units	ADG/ DIR/ DDG	ADV(F)/ M(F)
4	Cases relating to suggestions/ interpretation of rules/Accounts procedure	ADG/ DIR/ DDG	ADV(F)/ M(F)
5	Inter-Departmental settlement	ADG/ DIR	DDG
6	Banking arrangements	ADG/ DIR/ DDG	ADV(F)
7	Creation/ Abolition of Circle Accounts codes	ADG/ DIR/ DDG	ADV(F)/ M(F)
8	Examination and review of state of work report of DOT A/Cs Units	AO/ ADG/ DIR	DDG/ ADV(F)
9	Quarterly Exception Report on state of work report received from DoT A/c unit	AO/ADG/ DIR	DDG/ ADV(F)/ M(F)
10	Replies to Audit / PAC paras Action taken notes etc.	ADG/ DIR	M(F)
11	General Administration	AO/ ADG	DIR/ DDG
12	Framing of new accounting procedures.	ADG/ DIR	DDG/ ADV(F)/ M(F)
13	Amendments to Telecom Accounts manual, and printing of Appendix-V	ADG/ DIR	DIR/ DDG
14	Policy matter on Focal Point Branch system and action thereon	ADG/ DIR/ DDG	ADV(F)/ M(F)
15	Policy matter on pension payment through Public sector banks and action thereon	ADG/ DIR/ DDG	ADV(F)/ M(F)
16	Monitoring and guidance for settlement of claims between DoT and MTNL/ BSNL/ VSNL etc.	AO/ ADG/ DIR	DDG/ ADV(F)/ M(F)
17	Policy matters relating to accounting of service tax and correspondence thereon	ADG/ DIR/ DDG	ADV(F)/ M(F)

C1.2 TA-II Section

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Receipt of printout of A/cs, floppies etc.	JAO	AO
2	Feeding manual A/Cs in computer and generation of verification reports of A/cs balances	JAO	AO
3	Feeding floppies in computer and generate Report no. 3 for verification of A/cs balances of each circle & DoT Cell.	JAO	AO
4	Compilation of monthly A/cs	JAO	AO
5	Generation of General Abstract (DOT & DOT Cell separately)	JAO	AO
6	Generation of 3 page statements	JAO	AO
7	To rounding off the 3 page statement and generating the floppies and statements and send to CGA.	JAO/AO	ADG
8	Maintenance of computer code Directory.	JAO	AO
9	To keep in safe custody of floppies, monthly a/c General Abstract & DB for future reference.	JAO	AO
10	To review DB for misclassification and correspond with concerned DOT accounting circle & DOT Cell	JAO	AO
11	Generate 3 page monthly a/c statement and submit the same	JAO/AO	DIR/ DDG
12	To attend to correspondence from CGA on discrepancies	AO	ADG
13	Creation of computer code of Head of A/cs & supply the floppy to each accounting unit	AO	AO/ ADG
14	Maintenance of all files and circulars relating to his group	JAO	AO
15	Compilation, preparation and submission of Preliminary Appropriation A/cs, detailed Appropriation A/cs, and condensed Appropriation A/cs, to DG of Audit (P&T), CAG/ DDG(FEB)/ DG of Audit (Central Revenue)	JAO/ AO/ ADG/ DIR	DDG/ ADV(F)/ M(F)/ Ch(TC)
16	Preparation and submission of monthly, quarterly and yearly statements due to be submitted to various authorities/ offices	JAO	AO
17	SCT (Statement of Commercial Transactions) work	AO/ ADG	DIR/ DDG
18	Work relating to Union Finance Accounts	AO/ ADG/ DIR	DDG/ ADV(F)/ M(F)
19	Work relating to Combined Finance and Revenue accounts	AO/ ADG/ DIR	-do-
20	Work and correspondence relating to adverse balances.	AO/ ADG/ DIR	-do-
21	Work relating to Audit paras, C&AG Report paras, PAC paras & audit Memo, ATN etc. pertaining to TA-II Section	AO/ ADG/ DIR	-do-
22	Computerisation of Telecom Accounts	-do-	-do-
23	To deal with Correspondence of transfer of assets and liabilities to MTNL/ BSNL/ VSNL etc.	AO / ADG/ DIR	DDG/ ADV(F)/ M(F)
24	Settlement of long outstanding balance under MH-8782 Remittance and 8658/8022 suspense and also MH 8070 and MH-8677	AO / ADG/ DIR	DDG/ ADV(F)/ M(F)
25	To watch and follow up by reminders/ Telephonic conversions etc. the receipt of Review of balance statements and put-up review letters for rectification by circles.	AO/ ADG	DIR/ DDG
26	To attend all work correspondence relating to audit para, Audit Memos, C&AG Report and PAC Paras Parliament questions and inspection Reports relating to his Group	AO / ADG/ DIR	DDG/ ADV(F)/ M(F)
27	To help in the review of D.B.	AO	ADG
28	Maintenance of Assets Register	AO	ADG
29	Bank Reconciliation of balances with RBL, CAS, Nagpur	AO	ADG

C2. Director (Accounts-II)

C2.1 PAO (HQ)

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Pre-check of all claims of the Telecom Directorate and issue the cheques for claim(s) admitted.	Sr.Acctt./ JAO	AO
2	Preparation of classified A/cs and submit to TA-II Section of Directorate	Sr.Acctt./ JAO	AO

3	Maintenance of DB and Broad Sheets of Loans, Advances, Debt & Deposits.	Sr.Acctt./ JAO	AO
4	Audit objections	JAO	AO/ ADG/ DIR
5	Work relating to Remittance to Bank and drawing from Bank including Bank reconciliation	Sr.Acctt./ JAO	AO
6	Settlement of MEA claims etc.	Sr. Acctt. / JAO	AO
7	Inter Ministry/ Inter Departmental claim in respect of DoT	Sr. Acctt./ JAO	AO
8	Maintenance of various registers/ statements/ returns connected with the work of submission of various returns/ schedules and document	Sr. Acctt / JAO	AO
9	Maintenance of loan and Equity accounts (Receipt and Payment) of PSU under M/o Communications & IT (DoT HQ)	JAO/ AAO	AO

C2.2 Pay Bill Section

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Work relating to drawal of pay and allowances relating to DoT(Hq) and maintenance of various registers	Asstt.	JAO/ SO
2	Drawal of all kinds of Advances	Asstt. / JAO	JAO/ SO
3	Recording of service verification certificates in Service book	Asstt. / JAO	SO
4	Submission of recovery schedules in respect of PLI premium to Dy. Director. PLI, Calcutta	Asstt.	SO
5	Calculation of Income Tax and issue of monthly/ annual income certificates	Asstt./ JAO	SO
6	Preparation of various schedules required in connection of recovery from salary and drawl of Pay and allowances	Asstt.	SO
7	Submission of license fee Schedules in respect of license fee to Department quarters/ Directorate of Estate	Asstt.	SO
8	Issue of LPC	Asstt./ JAO	SO
9	Calculation of leave salary, calculation of interest in case of short term/ long term advance	Asstt./ JAO	SO
10	Issuance of no dues certificate and Form 16 to the employees and Form 24 to Income Tax Deptt.	Asstt. / JAO	SO

C2.3 Provident Fund and Pension Section (PFP)

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Pension papers work employees DoT (HQ) including corporate Office, BSNL, WPC, VSNL and Monitoring Organisation	JAO	AO
2	Watching the LS/PC in respect of officers deputed form DoT (HQ), WPC, and Monitoring Organisation and maintenance of broadsheets	JAO	AO/ ADG
3	GPF work of the employees of DoT(HQ),including CO. BSNL, WPC and Monitoring organization	JAO	AO
4	Complicated cases of Pension, GPF, LSPC, etc. of DoT (HQ)/ WPC/ VSNL	AO	DIR/ DDG

C2.4 Cash Section

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Preparation of tails on the basis of sanctions issued by various authorities of Ministry and DoT.	ASSTT.	SO
2	Preparation of all contingent bills	ASSTT.	SO
3	Compilation of all types of recoveries in the acquittance rolls of DoT	ASSTT.	SO
4	Framing of BE and RE of DoT including WPC and Ministry. Collection of booked expenditure from PAO(HQ)	ASSTT/ SO	DIR/ DDG
5	DDO function and maintenance of Cash Book	Cashier	SO

C3 Director (Audit Coordination)

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Forwarding DAPs proposed by Director of Audit to concerned NODAL officers of the Directorate	JAO/ AO/ ADG	DIR
2	Forwarding of approved replies to DAPs to Directors of Audit (P&T)	JAO/ AO/ ADG	DIR
3	Forwarding of extracts of CAGs reports to the concerned officers of Directorate for submission of ATNs	JAO/ AO/ ADG	DIR
4	Forwarding of approved ATNs on CAG's report of P&T/ Commercial for vetting.	JAO/ AO	ADG
5	Forwarding of vetted ATNs on CAGs report to the Monitoring Cell of MOF/ Lok Sabha Secretariat	JAO/ AO	ADG
6	Forwarding extracts of reports of PAC/ COPU to concerned NODAL officers of the Directorate for submission of ATNs	JAO/ AO/ ADG/ DIR	DDG
7	Forwarding of approved ATNs of PAC/ COPU reports to PAC/ Monitoring Cell etc.	JAO/ AO/ ADG	DIR
8	Correspondence with Audit Monitoring Cell of MOF/PAC on submission of vetted ATNs.	JAO/ AO/ ADG	DIR
9	Periodical review of pendency of submission of: a) Replies to DAPs b) ATNs on CAG's report	AO/ ADG/ DIR/ DDG/ ADV(F)	M(F)
10	Submission of monthly TC memo for review of Audit cases	AO/ADG/ DIR/ DDG/ ADV(F)	M(F)
11	Submission of Monthly Reports to Monitoring Cell	AO/ ADG	DIR

D. Accounting Orders & Circulars

DOT No. 7-1/2000-TA-I/9 dated 29.09.2000

Subject: Accounting of transactions of Wireless Monitoring Organisation in Department of Telecom-munications

Consequent on the merger of common functions of Ministry of Communications with the Department of Telecommunications w.e.f. 1.4.88, all the DDOs (without cheque drawing powers) of Monitoring Organisation stations spread over the Country were required to prefer claims towards Pay and Allowances etc. against the individual Accounting Units of the Department of Telecommunications as per instructions issued vide this office letter No. 3-126/87-TA-I dated 14.3.88. Now the individual Accounting Telecom Circles along with their Accounting Units have been converted into BSNL w.e.f. 1.10.2000. As such the existing arrangement will be discontinued w.e.f. 1.10.2000 and from that date the new arrangement to be followed is indicated as under:

1. One Accounts Officer has been posted in the office of Director, Monitoring Organisation (HQ) as DDO vide SEA section OM NO. 9-2/2000-SEA dated 28.9.2000. The said Accounts Officer will work as fulfilled DDO for all the 27 Units of Monitoring Organisation spread all over the Country and will perform all the functions of Drawing and Disbursing Officer under the Administrative Control of Director Wireless Monitoring Organisation (HQ).

2. The newly created/ sanctioned DDO will get his Account opened at RBI New Delhi under the RBI A/cs code No. 670 and will submit his Cash Account Current and Store Account Current to the PAO (HQ), DoT at Sanchar Bhavan, New Delhi 110 001, along with necessary schedules and statements (GPF etc.). In turn PAO (HQ), DOT will include this account in his accounts and generate the Circle Abstract (Cash & Store) for submission to the TA Section DOT (HQ).

3. The Monitoring Organisation Headquarter will supply to the said Drawing and Disbursing Officer, the particulars of total establishment viz. cadrewise heads of staff under each Drawing and Disbursing Officer presently, for whom new accounting unit (newly created DDO) has to admit the claims.

4. Monitoring Organisation at Headquarter will also intimate the provision of fund for 27 Units of Monitoring Organisation w.e.f. 1.10.2000, to the newly created DDO upto 15.10.2000.

5. Each Head of Circle/ Unit under whom the Monitoring Organisation is attached will issue the LPC of each staff member of Monitoring Organisation after payment of the salary of September 2000 and send the LPCs to the Director, Monitoring

Organisation (HQ) with a copy of LPC to PAO (HQ), DoT alongwith ATD/ ATC (where necessary), so that future pay and allowances may be drawn and paid by the office of Director, Monitoring Organisation.

6. For day to day working, each officer incharge of the Monitoring station may be given Imprest/ Advance and procedure of ACE-2 account as defined in FHB Vol. III Part-I, may be followed for adjustment and recoument etc.

7. From 1.10.2000 onwards the maintenance of GPF Accounts of staff/ officers of respective units of Monitoring Organisation will be undertaken by the Accounts Officer (PFP), DoT Sanchar Bhavan New Delhi. All the GPF ledger Cards presently being maintained in the Telecom Circle or their subordinate units of Group 'D' and other than Group 'D' will be sent by each accounting Circle to the Accounts Officer (PFP), DoT Sanchar Bhavan New Delhi along with ATCs raised in the name of PAO(HQ), DoT Sanchar Bhavan New Delhi. These ATCs will be accepted by the PAO (HQ), DoT and GPF ledger Cards will be retained by the A.O. (PFP), DoT for future maintenance. Further Advances/ withdrawals from GPF accounts will be authorised by the Director Monitoring Organisation (HQ) and paid by DDO, Monitoring Organisation (HQ) New Delhi 110 001.

8. All lumpsum payments on retirement like GPF fund payments/ commutation payments/ DCRG etc will be authorised by the PAO (HQ), DoT, Sanchar Bhavan, New Delhi, but the cases will be processed by the office of Director, Monitoring Organisation (HQ). The monthly payment of pension of staff/ officer retiring from Monitoring Organisation will be arranged through Public Sector Bank under the "Scheme for payment of pension to Central Government - Civil Pensioners by Public Sector Banks". The Accounts Officer (PFP), DoT, Sanchar Bhawan, New Delhi will issue the Pension Payment order (PPO) indicating therein interalia the particular branch of Public Sector Bank in which the Pensioner has opted for drawal of pension, who has also been nominated as Principal Account Officer to countersign and forward the Pension Payment Order (PPO) to the concerned bank branch for arranging the payment of pension. However, cases will be processed by the office of Director, Monitoring Organisation (HQ).

9. The Wireless Monitoring Organisation Headquarter will continue to frame Budget Estimates (BE), Revised Estimates (RE) and Final Grant (FG) in respect of all Wireless Monitoring Stations under their charge and forward periodically Budget Statements to PAO (HQ), DOT for onward submission of consolidated statements to Revenue Budget Section of Telecom Directorate i.e. to Director (PFR) and Director (PFC). Budgetary Control over the expenditure of Wireless Monitoring Organisation Units will continue to be exercised by the Headquarter of Wireless Monitoring Organisation. To enable the Director, Monitoring Organisation (HQ), to exercise effective budgetary control, the respective present Telecom Accounting Circles as listed in Annexure-I (attached), will forward in duplicate the figures of booked expenditure in respect of Monitoring Units under their Accounting jurisdictions, duly reconciled upto 30.9.2000. TA II Section of Telecom Directorate will also intimate monthly figures of booked expenditure upto 30.9.2000 to the Monitoring Organisation Headquarter to enable them to know the total amount booked/ incurred.

10 (i) The revenue expenditure relating to Monitoring Organisation will be accounted for under the following Heads of Account:

3275 00	102 Wireless Monitoring Services
0001	Salaries (including DA)
0002	Wages
0004	Travel Expenses
0005	Office Expenses
0006	Rent Rates and Taxes
0008	Payment to Professional and Special Services
0009	Advertising, Sales and Publicity Expenses
0013	Hospitality expenses
0014	Overtime Allowance
0019	Machinery and Equipment

10 (ii). The Pensionary charges will be booked under head 2071-Pension and Other Retirement Benefits.

Note: Present arrangement of W.P.C. will continue. Clarification if any required in implementing these instructions may be addressed to Shri J.K.Gupta, Director (TA-I), DOT, Room No.902, Sanchar Bhawan, New Delhi - 110 001.

(JK Gupta)
Director
Annexure

Sl. No.	Name of the Unit & Address	Station	Name of the Circle to which attached up to 30.9.2000	DDO to which attached w.e.f. 1.10.2000	Name of the Circle Accountant
1	Mon. Stn Jalandhar, Main Garhi Road, Hardyal Nagar (near Brahma Kumari Ashram), Jalandhar – 140 022 ; Ph: 0181-225210; Fax: 232544	Jalandhar	Punjab Telecom Circle, Chandigarh.	Accounts Officer, O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi

Telecom Accounts and Finance Manual

2	Mon. Stn. Jammu H.No. 41, Sector-1, Lane-2, Nanak Nagar, Jammu – 180 004 Ph: 0191-430064	Jammu	J&K Telecom Circle, Jammu	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
3	Mon. Stn. Ajmer, Kotra, Pushkar Road, Ajmer – 305 004 Ph: 0145-425641 Fax: 634583	Ajmer	Rajasthan Telecom circle, Jaipur	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
4	IMS, New Delhi Ghitorni, PO Mehrauli, New Delhi-110 030 Ph: 011-6502380 Fax: 6502380	N. Delhi	PAO Headquarters DoT New Delhi	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
5	NRHQ, E Wing, III Floor, Pushpa Bhawan, Madangir Road, New Delhi-110062. Ph: 6087722; Fax: 6087762	N. Delhi	PAO Headquarters DoT New Delhi	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
6	Mon.Stn Gorakhpur, Gurauli Buzurg Chhaphia, P.O. Khajani Road, Gorakhpur - 273 001 Ph: 0551-321709; Fax: 349329	Gorakhpur	UP (E) Telecom Circle, Lucknow	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
7	Mon. Hqrs, New Delhi, E wing, IIIrd floor, Pushpa Bhawan Madangir Road, New Delhi 110062 Ph.: 6082562; Fax: 6087762	N. Delhi	PAO (Hq), DoT, Sanchar Bhawan, New Delhi.	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO(Hq)DoT Sanchar Bhawan, New Delhi
8	IMS, Mumbai Gorai Road, Borivilli (West), Mumbai-400 092 Ph: 022-8671626 Fax: 8676244	Mumbai	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
9	WRHQ, IMS Campus Gorai Road, Borivilli (West), Mumbai-400 092 Ph: 022-8672351 Fax: 8672351	Mumbai	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
10	Mon.Stn. Goa Sylvia Road, Chogm Sangolda Road POAlto, Purvorim Goa - 403 521 Ph: 0832-417245; Fax: 612040	Goa	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
11	Mon. Stn. Nagpur Chhindwara Road, PO Koradi, Nagpur-441111 Ph: 0712-612114 Fax: 612040	Nagpur	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
12	ISMES, Jalna, Indewadi Vill, Ambad Road, Jalna - 431 203 Ph: 02482-30200 Fax: 32200	Jalna	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
13	IMS, Calcutta VIII, Gopalpur, Sarkarpool, PO 24 Parganas, Calcutta – 743 352 Ph: 033-4019840; Fax: 4014368	Calcutta	West Bengal Telecom Circle, Calcutta	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
14	ERHQ IMS Campus, VIII. Gopalpur, Sarkarpool PO 24 Parganas, Calcutta – 743352 Ph:033-4012960; Fax:4019407	Calcutta	West Bengal Telecom Circle, Calcutta	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
15	Mon. Stn. Dibrugarh G Sardarmal's Bld. Mancotta Road Dibrugarh – 786 001 Ph: 0373-325238, Fax: 325238	Dibrugarh	Assam Telecom Circle Guwahati	Accounts Officer O/o Director Monitoring Organisation (Hq),	PAO (Hq) DoT Sanchar Bhawan, New Delhi
16	Mon., Stn. Darjeeling, 7 Oaks Banki, Plot No. 560 Rose Bank, Darjeeling – 734 102 Ph: 0354-52383; Fax: 52383	Darjeeling	West Bengal Telecom Circle, Calcutta.	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO(Hq)DoT Sanchar Bhawan, New Delhi
17	Mon. Stn. Ranchi, Harmu Housing Colony, Ranchi – 834 012 Ph: 0651-243023; Fax: 211433	Ranchi	Bihar Telecom Circle Patna	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
18	IMS, Chennai, Kandanchavadi, Perungudi, Chennai – 600 096 Ph: 044-4960275 ; Fax: 4963083	Chennai	Tamil Nadu Telecom Circle Chennai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
19	SRHQ IMS Campus, Kandanchavadi, Perungudi, Chennai - 600 096 Ph:4960979, Fax: 4960235	Chennai	Tamil Nadu Telecom Circle Chennai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
20	Mon. Stn. Mangalore, Fatima Mansion, III Floor, Pintos Lane, Bijal	Mangalore	Karnataka Telecom Circle,	Accounts Officer O/o Director Monitoring	PAO (Hq) DoT Sanchar

	PO Mangalore – 575004 Ph: 0824-493960; Fax: 4942449		Bangalore	Organisation (Hq) New Delhi	Bhawan, New Delhi
21	Mon. Stn. Vizag, 15-5-1, Saileswarsen Road, Maharanipecta, Vizag - 530 002 Ph: 0891-539365; Fax: 542402	Vizag	AP Telecom Circle, Hyderabad	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
22	Mon. Stn. Bangalore; 18, Padmanabha Nagar, Banasankari, II Stage, Bangalore 560 070 Ph: 080-6690102; Fax: 6790300	Bangalore	Karnataka Telecom Circle Bangalore	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
23	Mon. Stn. Ahmedabad, Opp. Jagatpark Society, Ghatiodia, Ahmedabad – 380061 Ph: 079-7603444; Fax: 7603011	Ahmedabad	Gujarat Telecom Circle, Ahmedabad	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
24	Mon. Stn. Trivandrum, Kachani Post, Nettayam Trivandrum-695013 Ph: 0471-362202 Fax: 364333	Trivandrum	Kerala Telecom Circle, Trivandrum	Accounts Officer, O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
25	Mon. Stn. Shillong, PO Lapiang, Rynmeh, Shillong – 793 006 Ph: 0364-230113 Fax: 233727	Shillong	North East Telecom Circle, Shillong	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
26	Mon. Stn. Bhopal, 66-A, Sector-B, Shahpura, Bhopal-462039 Ph: 0755-564653 Fax: 723930	Bhopal	Madhya Pradesh Telecom Circle, Bhopal	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
27	Mon. Stn. Hyderabad, House No. 33-71/19, Venkateswara Officer's Colony, Ramakrishnapuram, Secunderabad – 500 556 Ph: 040-7794504; Fax: 7794530	Secunderabad	A.P. Telecom Circle, Hyderabad	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi

DOT No. 6-1/2000-TA-I dated 01.03.2001**Subject: Accounting of Transactions of Telecom Disputes Settlement and Appellate Tribunal in the Department of Telecommunications**

The following procedure will be followed for accounting of transactions of Telecom Disputes Settlement and Appellate Tribunal in Department of Telecommunications:

1. In pursuance to the Orders No.10-16/2000/Restg. dated 15.11.2000 issued by the Ministry of Communications, Department of Telecommunications, the Chairperson of the Telecom Disputes Settlement and Appellate Tribunal has declared the Registrar of the Telecom Disputes Settlement and Appellate Tribunal as Head of Office of the Appellate Tribunal under Rule 14 of the Delegation of Financial Powers Rules, 1978 read with Rule 2(12) of the G.F.R. 1963. The Chairperson of the Telecom Disputes Settlement and Appellate Tribunal has also delegated the following powers to the Registrar of the Appellate w.e.f. 16.11.2000:

- To act as Controlling/ Counter Signing Officer in respect of TA/ LTC/ Medical reimbursement bills of officers and staff of this Tribunal and exercise control over the contingent expenditure.
- To act as Head of Office under Fundamental Rules, Supplementary Rules and General Financial Rules.
- To act as Drawing and Disbursing Officer of the Tribunal.

2. The Drawing and Disbursing Officer of the Tribunal is attached to the PAO, DoT (Hq.) will perform the treasury function for the Telecom Disputes Settlement and Appellate Tribunal.

3. The Drawing and Disbursing Officer of the Tribunal will undertake all the functions of DDO and maintain his cash book PBR and retrenchment register etc as being maintained by the Drawing and Disbursing Officer of the Wireless Monitoring Organisation and will prefer all TDSAT claims/ bills along with schedules, in duplicate to the Pay and Accounts Officer, DOT (Hq), 20, Ashoka Road, Sanchar Bhawan, N.Delhi-01 for pre-check and admittance and payment of the claim. One copy of the bill will be retained by PAO (Hq) and another copy along with cheque (s) will be handed-over to the DDO of the Tribunal for making payment.

4. PAO, DoT (Hq) will scrutinize TDSAT bills/ claims as being done in case of Wireless Monitoring Organisation and issue the cheque/ DD.

5. All the transactions of the DDO of the Tribunal will be included in the accounts of the PAO, DoT (Hq) under the RBI three-digit Code No. 670. No separate monthly account will be submitted by the DDO of the tribunal.

6. The newly created/ sanctioned DDO will get his signature attested from the PAO (Hq), who will attest the signature of DDO and take-up the case with RBI, Parliament Street, New Delhi for getting the DDO signature code from RBI, Parliament Street, New Delhi.
7. The maintenance of GPF/ CPF accounts of the staff and officers of the TDSAT will be undertaken by the AO (PFP), DoT, Sanchar Bhavan, New Delhi-01. Necessary schedule will be passed on by the PAO (Hq), DoT, Sanchar Bhavan, New Delhi-01 to the AO (PFP) on monthly basis.
8. PAO (Hq), DoT, Sanchar Bhavan, New Delhi-01 will work as Circle Accountant for the transactions of Telecom Disputes Settlement and Appellate Tribunal.
9. The Telecom Disputes Settlement and Appellate Tribunal will frame their Budget Estimate (BE), Revised Estimate (RE) and Final Grants (FG) in respect of TDSAT transactions and forward periodically the Budget statement to Director (TA-II), DoT, Sanchar Bhavan, New Delhi-01 for onward submission of consolidated statement to Budget Section of the Telecom Directorate. Budgetary control of the expenditure of Telecom Disputes Settlement and Appellate Tribunal will continue to be exercised by the TDSAT.
10. The Revenue Expenditure relating to the Telecom Disputes Settlement and Appellate Tribunal will be accounted for under MH-3275-Other Communication Services-00-800-Other Expenditure-60-TDSAT and standard detailed heads will be operated. All the receipts from TDSAT shall accrue to General Revenues under MH 1275-0-Other Communications Services-00-800-Other Receipts.
11. The challan for depositing the receipts in RBI by the DDO of the Tribunal will be prepared and got countersigned from the PAO (Hq), DoT, Sanchar Bhavan, New Delhi-01. For recording the information on challans, necessary account no., accounts code and head of account will be intimated by the PAO (Hq), DoT, Sanchar Bhavan, New Delhi-01 to the DDO of the Telecom Disputes Settlement and Appellate Tribunal. This is the same procedure which is being followed presently regarding deposit of receipt of the WPC by the PAO (Hq), DoT, Sanchar Bhavan, New Delhi-01.
12. Clarification, if any, required in implementing these instructions may be addressed to Shri J.K. Gupta, Director (TA-I), DoT, Room No.902, Sanchar Bhavan, New Delhi-01.

DOT No. 3-89/2000/TA-I dated 20.01.2003

Subject: Safeguard against Fraudulent Payments

1. The Controller General of Accounts, Ministry of Finance, Department of Expenditure, New Delhi has issued instructions vide their O.M. No.1(3)/95/TA/pt/575 dated 27.7.98 that cheques worth Rs.10 lakhs and above should each bear two signatures.
2. The Reserve Bank of India, Department of Government and Bank Account, Central Office, Mumbai has also advised the adoption of similar safeguards in the interest of all concerned.
3. It has, therefore, been decided that all high value cheques, irrespective of category, worth Rs. 10 lakhs and above shall henceforth bear two signatures. The first signatory will be a gazetted officer.
4. In offices where there is only one gazetted officer, the seniormost JAO can be Authorized as the second signatory. The specimen signatures of both officials to be furnished to the bank should be counter signed by an independent officer preferably higher in rank, whose signature is available with the bank.
5. In case, one of the authorised signatories proceeds on leave, another Sr. officer may be nominated to sign in his place.
6. Cheque books will be kept in the safe custody of both signatories under a double locking system. The Register of account for Cheque Forms as in Annexure-I (attached) and the Register of cheque books should be maintained in the proper form and closed daily. The number of unused cheques (blank forms) should be physically counted and tallied with the number shown in Col.9 of the register of account for cheque forms before close of the day's transactions. Stock of cheque books, including those in use, should be physically verified during final check Inspection of the offices concerned.
7. For cheques worth Rs. 1 lakh and above, the existing instruction for affixing of a transparent sticker on the amount written in figures may continue to be followed to prevent alteration of figures. In case the sticker is not available, a good quality cellophane tape of the proper size may be used Quarterly physical verification of the stock of cheque books including those in use, by an independent officer, who is higher in rank than those having custody of the cheque books should be conducted, with a monitoring of results thereof.
8. Reconciliation of payment scroll should be completed by the day following the receipt of the payment scrolls.

Section Officer (Paybill) in case of Department of Telecommunications HQ) and after verification of the same with the TDS receipts credited to Government account.

I. Existing Procedure:

Until the financial year 2004-05, Drawing and Disbursing Officer after making TDS deductions were required to issue necessary TDS Certificate (Form 16/16A as the case may be) to enable the taxpayers to submit the same with their Tax Return. No monetary settlement is effected between the Pay and Accounts officers/ Accounts Officers of the Central Government and the CBTD but the TDS deductions are directly booked under the final head.

II. New Procedure:

(i) The Finance Act 2004 has made necessary changes in the Income Tax Act for introduction of the scheme for dematerialisation of TDS Certificate w.e.f. 1.4.2005. New procedure for filing TDS Returns and TDS Statement has been formulated vide para 4.16 of Ministry of Finance (CBTD) Circular No. 6/2004 F.No. 275/192/2004.IT (B) dated 6.12.2004. The detailed procedure to be followed by Dy. Controller of Communication Accounts in case of Controller of Communication Accounts Office, Asstt. Director General (F&A) in case of Sr. DDG Telecom Engineering Center, Director (Admn. & Accounts) in case of Telecom Disputes Settlement & Appellate Tribunal and PAO HQ Sanchar Bhawan in case of Section Officer (Cash) and Section officer (Pay Bill) (All of them hereafter referred as Pay & Accounts Officer for the purpose of TDS Dematerialisation) who are responsible for uploading of TDS Book Adjustment Form and Communication Accounts Officer (Cash) in case of CCA Offices, Accounts Officer (Cash) in case of Telecom Engineering Center, Accounts Officer (TDSAT) in case of Telecom Disputes Settlement & Appellate Tribunal and Section Officer (Cash)/ Section Officer (Pay Bill) in case of Department of Telecommunications HQ (All of them hereafter referred as Drawing and Disbursing Officer for the purpose of TDS Dematerialisation) who are responsible for deduction of TDS & uploading of Form 24 Q / 26 Q is sent herewith for information and necessary action.

(ii) As per the procedure all deductors including Government deductors, will have to file quarterly TDS returns giving deductee-wise breakup of all deductions made by them. These returns will be filed on electronic format with Tax Information Network (TIN). TIN will verify particulars relating to deposit of TDS given in these quarterly TDS returns with the corresponding information of TDS uploaded to TIN by the Banks in case of private deductors and TDS Book Adjustment Form in case of Government deductors. Tax deducted by Central Government deductors (Civil Ministry/ Department, Department of Posts, Tele-communications, Railway and Defence) will continue to be classified to the relevant final heads by the Accounts Officer in whose books the credits have arisen. Pay & Accounts Officer for the purpose of TDS Dematerialisation referred above will upload the DDO-wise [i.e. Communication Accounts Officer (Cash) in case of CCA Offices, Accounts Officer (Cash) in case of Telecom Engineering Center, Accounts Officer (TDSAT) in case of Telecom Disputes Settlement & Appellate Tribunal and Section Officer (Cash)/ Section Officer (Pay Bill) in case of Department of Telecommunications HQ] tax deducted at source by government deductors to the TIN through 'TDS Book Adjustment Form'.

(iii) The Income Tax Department will post deductee-wise particulars of TDS to the Ledger Accounts of each deductee identified by their PAN. After the close of the year TIN will issue an annual statement of TDS to each deductee U/s 203 AA of the Income Tax Act giving full particulars of all taxes deducted on his behalf by different deductors. The new system is being introduced to ensure that all taxes deducted are reconciled with the credits claimed by different deductees in their respective returns of Income Tax. This will eliminate possibility of bogus TDS Certificates and relate TDS frauds. This will also enable eventual elimination of the issue of TDS Certificates by deductors and the requirement on the part of deductees to enclose the same with their respective returns of income leading to dematerialisation TDS certificates and enabling paperless filing of returns of income.

III. Action On The Part Of Deductees

Each deductee if not having Permanent Account Number (PAN) is required to apply for allotment of PAN in form No. 49A and intimate the same to his/her DDO [i.e. Communication Accounts Officer (Cash) in case of CCA Office, Accounts Officer (Cash) in case of Telecom Engineering Center, Accounts Officer (TDSAT) in case of Telecom Disputes Settlement & Appellate Tribunal and Section Officer (Cash)/ Section Officer (Pay Bill) in case of Department of Telecommunications HQ] for incorporation in Form 24Q. Quoting of PAN is mandatory while filing Income Tax Return.

IV. Action On The Part Of Deductors (Drawing and Disbursing Officers) i.e. Communication Accounts Officer (Cash) in case of CCA Office, Accounts Officer (Cash) in case of Telecom Engineering Center, Accounts Officer (TDSAT) in case of Telecom Disputes Settlement & Appellate Tribunal and Section Officer (Cash)/ Section Officer (Pay Bill) in case of Department of Telecommunications HQ.

(i) The Communication Accounts Officer (Cash) (hereafter referred as CAO (Cash)) in case of CCA Office, Accounts Officer (Cash) in case of Telecom Engineering Center, Accounts Officer (TDSAT) in case of Telecom Disputes Settlement & Appellate Tribunal and Section Officer (Cash)/ Section Officer (Pay Bill) (hereafter referred as SO (Cash)/ SO (Pay Bill)) at DoT responsible for deduction of Tax at source under various sections of Income Tax Act will have a TAN and file deductee-wise Quarterly Return in form 24Q and 26Q electronically to Tax Information Network (hereafter referred as TIN).

(ii) The reconciliation of amount of TDS recovered from the bills and the amount credited to respective heads of accounts will be the responsibility of the DDO i.e. Communication Accounts Officer (Cash) in case of CCA Office, Accounts Officer (Cash) in case of Telecom Engineering Center, Accounts Officer (TDSAT) in case of Telecom Disputes Settlement &

Appellate Tribunal and Section Officer(Cash)/ Section Officer(Pay Bill) at Department of Telecommunications.

(iii) All these CAO (Cash) in case of CCA Offices, Accounts Officer (Cash) in case of Telecom Engineering Center, Accounts Officer (TDSAT) in case of Telecom Dispute Settlement & Appellate Tribunal & SO (Cash)/ SO (Pay Bill) will send the information on amount of TDS credited to respective heads of Dy. CCA in the O/o CCA and to PAO HQ/ ADG (DoT Cell). Dy CCA in O/o CCA and PAO HQ/ ADG (DoT Cell) at the Department of Telecommunications HQ to whom they render their monthly accounts. PAO HQ/ ADG(DoT Cell) Department of Telecommunications HQ will reconcile the information of CAO(Cash)/ SO (Cash)/ SO (Pay Bill) wise TDS recovered and uploaded to TIN in form 24Q/ 26Q with the booked figures in the accounts. Where the post of Dy. CCA is vacant or Dy. CCA is on leave, this will be done by another Dy. CCA, if available or Jt. CCA, if another Dy. CCA is not available.

(iv) The Dy. CCA in case O/o CCA and ADG (DoT-Cell) in case of SO(Cash) upload the DDO wise monthly details of TDS in "TDS Book Adjustment Form" on quarterly basis to the TIN in respect of his CAO (Cash)/ SO (Cash) respectively.

The time schedule and the procedure for reconciliation between the DDO and the authority responsible for loading the "TDS Book Adjustment Form" to the TIN will be the same as for Civil Accounting Organization as follows.

All Government deductors (DDOs) not having TAN are required to apply for allotment of TAN in form No. 49-B. With effect from 1st April 2005 deductors/ collectors of tax are required to furnish quarterly statement of tax deducted/ collected at source as per detail given below:

Quarter Ending	Due Date
30 th June	15 th July
30 th September	15 th October
31 st December	15 th January
31 st March	15 th June

Nature	Form in which return is to be filed by DDO
TDS from Salary	24 Q along with Annexure I,II & III
TDS from payment other than Salary	26 Q along with Annexure

The following items are mandatory in the data structure for the quarterly statement in form 24Q to be filled by DDOs.

Item nos. 1, 2, 3.

Item no 4- Column No. 301, 302, 310 and 312.

In 'Deductee-wise break-up of TDS' (Annexure 1 to Form 24 Q) only the figures of the relevant quarter are required to be given. Column No. 313, 315, 316, 317, 318, 319, 323, 324 and 325 of this Annexure are mandatory in the quarterly returns of all quarters.

In Annexure II/ III to form 24Q estimated/actual particulars of the whole year are to be given. However, Annexure II and III are optional in the return I, II & III quarter of the year. In quarterly returns of the last quarter it is mandatory to fill Annexure II & III giving actual figures of the whole financial year.

The columns mentioned above have to be furnished in the quarterly return failing which the return will not be uploaded. In case details pertaining to columns other than the mandatory fields given in the data structure are not available, they may be left blank. In such case, the return will be uploaded. However, full details will have to be given for quarterly returns filed for the quarter ending 31st March.

All columns are mandatory in Form 26Q. The Return in Form 26Q will not be uploaded unless all the columns are properly filled up.

V. Action on the part of Pay & Accounts Officer/ Accounts Officer i.e. Dy. Controller of Communication Accounts in case of Controller of Communication Accounts Office, Asstt. Director General (F&A) in case of Sr. DDG Telecom Engineering Center, Director (Admn. & Accounts) in case of Telecom Dispute Settlement & Appellate Tribunal and PAO HQ Sanchar Bhawan in case of Section Officer (Cash) and Section officer (Pay Bill).

The Pay Accounts Officer will verify the booked amount of Tax deducted by various DDOs under the appropriate Major/ Minor/ Subhead of account in the monthly Accounts. Immediately after the accounts for a month are compiled by the 15th of the next month, the DDO will initiate action to reconcile the amount deducted by them with the amount booked in the respective month. The reconciliation should be completed by 25th of the next month. Any misclassification noticed during reconciliation must be rectified by the DDO in the monthly account in hand. While loading 'TDS Book Adjustment Form' due care should be taken by the Pay & Accounts Officer that the DDO- wise TDS is shown against the month to which it relates and not against the month in which rectification has been carried out. Pay & Accounts Officer will enter DDO-wise monthly

details for a quarter in respect of each DDO under its jurisdiction in 'TDS Book Adjustment Form' devised by Income Tax department in consultation with NSDL. The form will be uploaded to TIN on quarterly basis as per time schedule given below:

Quarter Ending	Due date by which 'TDS Book Adjustment Form' should be loaded to Tax Information Network by Pay & Accounts Officer
30 th June	31 st August
30 th September	30 th November
31 st December	28/29 th February
31 st March	31 st May

Income Tax Department will allot a code (on the pattern of bank's BSR code) to each Pay & Accounts Officer responsible for uploading the 'TDS Book Adjustment Form' to TIN. For this purpose, the respective Accounting Heads i.e. DDG (Accounts) DOT HQ has already furnished a list of Accounts Officer under DOT giving requisite identity particulars of the PAOs and the DDOs functioning under each Pay & Accounts Officer to the Directorate of Income Tax (Systems).

Income Tax Department will allot 'Accounts Officer's Identification Number' (AIN) to each Pay & Accounts Officer responsible for uploading 'TDS Book Adjustment Form' and also provide user-friendly software for Accounts Officers through the website of TIN for uploading 'TDS Book Adjustment Form' to TIN. Separate Form will be used for TDS from salary, TDS other than salary, TDS from non-residents and TCS.

VI. Rectification Of Error In Case Of Mismatch Between Form 24q/ 26q And 'Tds Book Adjustment Form'

The DDO-wise detail of TDS uploaded by the Pay & Accounts Officer in 'TDS Book Adjustment Form' on quarterly basis should match with the deductee-wise details of TDS furnished electronically by the DDO to the TIN in form 24Q and 26Q. The TIN will not afford credit to any of the deductee of the DDO in whose case the two details do not tally. In case of any mismatch the NSDL will electronically sent the mismatched data indicating the month/ TAN of DDO / column in which there is mismatch to the authority which has loaded the 'TDS Book Adjustment Form' to TIN.

In case the error has occurred while loading the DDO-wise details of TDS in 'TDS Book Adjustment Form', it will be rectified by the Pay & Accounts officer making addition/deletions and amended Form reloaded to TIN within fifteen days of receipt of mismatch reported from NSDL. If the error is on the part of the DDO, the Pay & Accounts Officer will furnish the details to the DDO within five days of receipt of mismatch report from NSDL to make necessary corrections in Form 24Q/26Q. The DDO will send correction statement in prescribed electronic format to the TIN within ten days of receipt of details of mismatch from the Accounts Officer.

CGA, Min. of Finance No. S-11012/3/2003-04/Pt.III/RBD/1452 dated 22.11.2006
(Circulated vide DOT No. 6-23/2006/TA-I dated 08.12.2006)

Subject: Recovery of Interest from Banks on Delayed remittances of Government Receipts into Government Account and Excess/ Double Reimbursement Claims

In continuation of this office O.M.No.S-11012/3/2003-04/Pt.III/RBD/654 dated 18.5.2006 on the above subject, it is intimated that the rate of interest on delayed remittances and double/excess reimbursements will remain unchanged at 8.00% (i.e. Bank Rate 6.00%+2.00%) with effect from 01.11.2006 till further orders.

This is in accordance with this office O.M. No. S-11012/3/99/Part II/ RBD/1334 dated 26th July, 2000 read with O.M. No. S-11012/3/P.Int./CGA/RBD/2003-04/396 dated 31.03.2005, wherein it was decided to notify interest rate twice a year i.e. from 1st May and 1st November.

Above instructions may please be brought to the notice of all concerned working under your control.

DOT No. 5-3/2002-TA-1 dated 30.03.2007
To: All CCAs/ JointCCAs/ Dy. CCAs, etc.

Subject: Proforma of State of Work Report of DOT Units – Insertion of Col. 12 for settlement of GPF cases.

[Ed.: Printed under Chapter 9, CCAs]

E. Pension Related Circulars/ Orders

DOT No. 36-15/2000-Pen(T) dated 09.11.2000

Subject: Entitlement for Pension, other Retirement Benefits, Job Security and Carry Over of Leave in respect of Employees to be Absorbed in BSNL

It has been decided by the Government that the employees of DOT who will be absorbed in Bharat Sanchar Nigam Limited (BSNL) will be entitled to the Government's scheme of pension/family pension even after their absorption in BSNL. Payment of pension will be made by the Government and for this, arrangements, are being worked out for obtaining pension contribution from BSNL to be deposited with the Government. It has also been decided that dismissal or removal from service of an employee after his absorption in the PSU for any subsequent misconduct shall not amount to forfeiture of the retirement benefits for the service rendered under the Government and in the event of his dismissal, removal or retrenchment the decisions of BSNL shall be subject to review by the Administrative Ministry. The Government has already issued Notification dated 30.9.2000 to this effect wherein the pension framework has been made part of the CCS (Pension) Rules, amending Rule 37 using powers under Article 309 of the Constitution of India. (Copy enclosed).

It has further been decided that the Earned Leave and the Half Pay Leave at the credit of the employees on the date of absorption shall stand transferred to the PSU.

This may be widely circulated in your circle/ unit so that the employees are duly informed of the decision taken by the Government.

Enclosure

MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS
(Department of Pension and Pensioners' Welfare)

NOTIFICATION
New Delhi, the 30th September, 2000

S.O.904(E) – In exercise of the powers conferred by the proviso to article 309 and clause (5) of article 148 of the Constitution and after consultation with the Comptroller and Auditor General of India in relation to persons serving in the Indian Audit and Accounts Department, the President hereby makes the following rules further to amend the Central Civil Services (Pension) Rules, 1972, namely:

1. (1) These rules may be called the Central Civil Services (Pension) Amendment Rules, 2000.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Central Civil Services (Pension) Rules, 1972, after rule 37, the following rule shall be inserted, namely:

"37A. Conditions for payment of pension on absorption consequent upon conversion of a Government Department into a Central autonomous body or a Public Sector Undertaking.

- (1) On conversion of a department of the Central Government into a public sector undertaking or an autonomous body, all Government servants of that Department shall be transferred en-masse to that public sector undertaking or autonomous body, as the case may be, on terms of foreign service without any deputation allowance till such time as they get absorbed in the said undertaking or body, as the case may be and such transferred Government servants shall be absorbed in the public sector undertaking or autonomous body, as the case may be, with effect from such date as may be notified by the Government.
- (2) The Central Government shall allow the transferred Government servants an option to revert back to the Government or to seek permanent absorption in the public sector undertaking or autonomous body, as the case may be.
- (3) The option referred to in sub-rule (2) shall be exercised by every transferred Government servant in such manner and within such period as may be specified by the Government.
- (4) The permanent absorption of the Government servants as employees of the public sector undertaking or autonomous body shall take effect from the date on which their options are accepted by the government and on and from the date of such acceptance, such employees shall cease to be Government servants and they shall be deemed to have retired from Government service.
- (5) Upon absorption of Government servants in the public sector undertaking or autonomous body, the posts which they were holding in the Government before such absorption shall stand abolished.
- (6) The employees who opt to revert to Government service shall be re-deployed through the surplus cell of the Government.
- (7) The employees including quasi-permanent and temporary employees but excluding casual labourers, who opt for permanent absorption in the public sector undertaking or autonomous body, shall on and from the date of

- absorption, be governed by the rule and regulations or bye-laws of the public sector undertaking or autonomous body, as the case may be.
- (8) A permanent Government servant who has been absorbed as an employee of a the public sector undertaking or autonomous body shall be eligible for pensionary benefits on the basis of combined service rendered by him in the Government and the public sector undertaking or autonomous body in accordance with the formula for calculation of pension/ family pension under these rules as may be in force at the time of his retirement from the public sector undertaking or autonomous body, as the case may be.
 - (9) The pension of an employee under sub-rule (8) shall be calculated on the basis of his last ten months' average pay.
 - (10) In addition to pension or family pension, as the case may be, the employees shall also be eligible to dearness relief as per industrial dearness allowance pattern.
 - (11) The benefits of pension and family pension shall be available to quasi-permanent and temporary transferred Government servants after they have been confirmed in the public sector undertaking or autonomous body.
 - (12) The Central Government shall create a Pension Fund in the form of a trust and the pensionary benefits of absorbed employees shall be paid out of such Pension Fund.
 - (13) The Secretary of the administrative Ministry of the public sector undertaking or autonomous body shall be the Chairperson of the Board of Trustees which shall include representatives of the Ministries of Finance, Personnel, Public Grievances and Pensions, Labour, concerned the public sector undertaking or autonomous body and their employees and experts in the relevant field to be nominated by the Central Government.
 - (14) The procedure and the manner in which pensionary benefits are to be sanctioned and disbursed from the Pension Fund shall be determined by the Government on the recommendation of the Board of Trustees.
 - (15) The Government shall discharge its pensionary liability by paying in lump sum as a one time payment to the Pension Fund the pro rata pension or service gratuity and retirement gratuity for the service rendered till the date of absorption of the Government servant in the public sector undertaking or autonomous body.
 - (16) The manner of sharing the financial liability on account of payment of pensionary benefits by the public sector undertaking or autonomous body shall be determined by the Government.
 - (17) Lump sum amount of the pro rata pension shall be determined with reference to Commutation Table laid down in Central Service (Commutation of Pension) Rules, 1981.
 - (18) The public sector undertaking or autonomous body shall make pensionary contribution to the Pension Fund for the period of service to be rendered by the concerned employees under that undertaking or body at the rates as may be determined by the Board of Trustees so that the Pension Fund shall be self-supporting.
 - (19) If, for any financial or operational reason, the Trust is unable to discharge its liabilities fully from the Pension Fund and the public sector undertaking or autonomous body is also not in a position to meet the shortfall, the Government shall be liable to meet such expenditure and such expenditure shall be debited to either the Fund or to the public sector undertaking or autonomous body, as the case may be.
 - (20) Payments of Pensionary benefits of the Pensioners of a Government Department on the date of conversion of it into a the public sector undertaking or autonomous body shall continue to be the responsibility of the Government and the mechanism for sharing its liabilities on this account shall be determined by the Government.
 - (21) Nothing contained in sub-rules (12) to (20) shall apply in the case of conversion of the Department of Telecom Service and Telecom Operations into Bharat Sanchar Nigam Limited, in which case the pensionary benefits including family pension shall be paid by the Government.
 - (22) For the purpose of payment of pensionary benefits including family pension referred to in sub-rule (21), the Government shall specify the arrangements and manner including the rate of pensionary contributions to be made by Bharat Sanchar Nigam Limited to the Government and the manner in which financial liabilities on this account shall be met.
 - (23) The arrangements under sub-rule (22) shall be applicable to the existing pensioners and to the employees who are deemed to have retired from the Government service for absorption in Bharat Sanchar Nigam Limited and shall not apply to the employees directly recruited by the Bharat Sanchar Nigam Limited for whom it shall devise its own pension scheme and make arrangements for funding and disbursing the pensionary benefits.
 - (24) Upon conversion of a Government department into a the public sector undertaking or autonomous body –
 - (a) the balance of provident fund standing at the credit of the absorbed employees on the date of their absorption in the public sector undertaking or autonomous body shall, with the consent of such undertaking or body, be transferred to the new Provident Fund Account of the employees in such undertaking or body, as the case may be;
 - (b) earned leave and half pay leave at the credit of the employees on the date of absorption shall stand transferred to such undertaking or body, as the case may be;
 - (c) the dismissal or removal from service of the public sector undertaking or autonomous body of any employee after his absorption in such undertaking or body for any subsequent misconduct shall not amount to forfeiture of the retirement benefits for the service rendered under the Government and in the event of his dismissal or removal or retrenchment the decision of the undertaking or body shall be subject to review by the Ministry administratively concerned with the undertaking or body.
 - (25) In case of Government disinvests its equity in any public sector undertaking or autonomous body to the extent of fifty-one per cent or more, it shall specify adequate safeguards for protecting the interests of the absorbed employees of such public sector undertaking or autonomous body.
 - (26) The safeguards specified under sub-rule (25) shall include option for voluntary retirement or continued service in the undertaking or body, as the case may be, voluntary retirement benefits on terms applicable to

Government employees, employees of the public sector undertaking or autonomous body as per option of employees, assured payment of earned pensionary benefits with relaxation in pension of qualifying service, as may be decided by the Government.”

DOT No. 40-13/2002/Pen (T) dated 15.01.2003

Subject: Payment of Pension/ Family pension to the Employees Absorbed from DoT/ DTS/ DTO in Bharat Sanchar Nigam Limited with effect from 1.10.2000 – reg.

On introduction of the IDA pay scale by the BSNL by the Office Order no. BSNL/26/SR/2002 dated 07.08.2002 with effect from 1.10.2000 in replacement of existing CDA pay scale for non executive staff (Gr. 'C' and 'D') absorbed from DoT/ DTS/ DTO in Bharat Sanchar Nigam Limited with effect from 1.10.2000, references have been received from various DoT units seeking clarifications for the payment of Pension and Family pension either on CDA pay scale or IDA pay scale. As such doubts raised by various DoT units are clarified as under:

Doubts	Clarifications
1. When pay during last 10 months falls partly in CDA pay scales and partly in IDA pay scales how average emoluments are to be taken for calculating the pension. Nothing is mentioned whether non- practice allowance granted to medical officer in lieu of private practice will also be treated as pay. In addition nothing is mentioned about the stagnation increment whether the same will be treated as pay for the calculation of retirement benefits.	Sub rule 9 of Rule 37 A of CCS (Pension) rules provides that pension of an employee shall be calculated on the basis of his last 10 months average pay. It is implied that for the purpose of calculation of pension, average of last 10 months pay is to be taken irrespective of whether the pay in all 10 months or part thereof is in IDA/ CDA pay scale. Non-practicing allowance and the stagnation increment are to be treated as emoluments for calculation of retirement benefits as per Rule 33 of CCS (Pension) Rules and the explanation below Rule 33.
2. In case of absorbed employee retired between 01.10.2000 to 30.6.2001 the pay falls in both the CDA and IDA within 10 months. What will be the relief admissible whether part of CDA and part IDA or industrial relief on the pension calculated?	Once pension/ family pension is determined in accordance with Sub rule 9 of Rule 37 A of CCS (Pension) rules, the employee shall also be eligible to Dearness Relief as per Industrial Dearness Allowance pattern as provided in Sub rule 10 of Rule 37 A.
3. What will be the emoluments for determining the retirement gratuity/ death gratuity on IDA pay- scale?	As per Rule 50 (5) of CCS (Pension) Rules, the emoluments for the purpose of Gratuity admissible shall be reckoned in accordance with Rule 33 provided that if the emoluments of the Government servant have been reduced during the last 10 months of his service otherwise than as a penalty, average emoluments as referred to in Rule 34 shall be treated as emolument.
4. Whether the minimum pension of Rs.1275/- p.m. as well as maximum pension of Rs.15000/- p.m. (i.e., 50% of average emoluments in all cases) as applicable in the CDA pay scale is also to be applied in the IDA pay scales.	The ceiling of minimum and maximum pension as existing in CCS (Pension) Rules shall continue unless specifically approved otherwise by the Government.
5. Whether commutation of pension as applicable at 40% (maximum) on CDA pay scale is also to be applied in IDA pay scale?	Yes
6. There may be cases where the employee(s) expired on or after 1.10.2000 but before the issue of instructions for opting for BSNL and could not exercise his/her option. How these cases are to be settled?	This is not a pension related issue. BSNL management with the approval of the competent authority has to decide about the admissibility of IDA pay scales to such employees. Calculation of pension follows accordingly.

While determining the pensionary benefits and retirement benefits on IDA pay scales, CCS (Pension) Rules, 1972 (as amended from time to time) should invariably be consulted and if still there is any doubt, only then the reference may be made by quoting the problem and correct rule number of the CCS (Pension) Rules and the need for clarification.

This issues with the approval of Member (Services) & Member (Finance), Telecom Commission.

DOT No. 6-138/90-TA-I/Vol. VI dated 21.02.2003

Subject: Authorisation of Pension Payment on IDA Payscale of BSNL

1. As per clarification given by DoT (Hq) vide O.M. No. 40-13/2002-Pen(T) dated 15.01.2003, PPOs of the absorbed Group 'C' and 'D' employees are to be issued on IDA pay scales. It has thus been decided that to distinguish the PPO on the IDA pay scale of BSNL from the PPO on the CDA pay scale of DoT, the following rubber stamp may be arranged for

affixing on the PPO on the IDA pay scale clearly (both Disburser's portion and Pensioner's portion), on first page at the right hand corner, and on the page for "Section 2 - Detail of pension" (Right hand corner):

"PENSION PAYMENT ON IDA PAY SCALE-BSNL"

2. In addition to this, while forwarding the PPO to the concerned CCA/ Jt.CCA/ Dy. CCA or Director/ Dy. Director of Postal Accounts for countersignature and embossing the special seal, the same stamp may be affixed on the face of the right hand corner, of the forwarding letter, so that identification may be done, right at the initial stages:

3. These instructions may kindly be given effect to on all PPOs (Disburser's & Pensioner's portion) immediately.

DOT No. 7-1/2000-TA-I/21 dated 27.08.2003

Subject: **Verification of Qualifying Service**

Reference is invited to Rule 32 of the CCS Pension Rules which lays-down that on completion of 25 years of service of a Government servant or on his being left with five years of service before the date of retirement, the service rendered by him should be verified and the qualifying service communicated to him in Form 24.

2. For a beginning, you are requested to take up all the cases where five years or less is left for retirement and verify the qualifying service, forwarding the service books of such officers to the Controllers of Communication Accounts for authentication of the verification done. The CCA office after such authentication and proper stamping etc. will communicate the qualifying service to the officer concerned and return the service book to the SSA for custody.

3. This work will have to be undertaken in the cases of all staff and officers for whom the Government is liable to pay pension.

4. The work may kindly be undertaken immediately, with a report on all the backlog being cleared given to the Telecom Directorate by 28.2.04.

Receipt of this letter may be acknowledged.

Deptt. of Pension & Pensioners' Welfare OM No. 4/3/2003-P&PW(D) dated 02.12.2003

(Circulated vide DOT No. 38-19/2005-Pen(T)-1 dated 20.12.2005)

Subject: **Implementation of order dated 12th April, 2005 of the High Court of Judicature of Andhra Pradesh of Hyderabad in Review WWP MP SR No.78433 of 2004 in WP No.8532 – regarding Restoration of One Third Portion of Commuted Pension after 15 years from the date of Commutation**

The undersigned is directed to invite reference to this Department's Office Memoranda, of even number dated the 23rd June, 2005, and 15th September, 2005, on the above subject and to state that the SLP filed in the Hon'ble Supreme Court of India against the order dated 24th December, 2003, of the High Court of Andhra Pradesh at Hyderabad in WP No. 8532 of 2003 in R. Ramamurthy & Ors Vs. Union of India Ors, and to state that the SLP filed in the Hon'ble Supreme Court has already been taken up for hearing. In the meantime the High Court of Andhra Pradesh in its order dated 28th September, 2005, in Contempt Case No. 760 of 2005 and CC SR No. 3981 of 2005 (filed by the Society for the Welfare of Former Central Government Employees Absorbed in Public Sector Undertakings, Hyderabad against Secretary, Ministry of Personnel, Public Grievances & Pensions, New Delhi and others) stated as below:

"In view of the submission made by the Learned Standing Counsel and in the facts and circumstances of the case as to the pension of the members of the petitioner association, without expressing any opinion on the merits of the contempt cases, in order to put a quibus to the lis, we feel it just and proper to modify the mode of calculation of the pension to the effect that the pension has to be calculated in respect of the persons whose representations had been forwarded by the petitioner Association to the respondents, as per the existing rules without reference to the mode of calculation as adopted by the earlier Division Bench of this Court in WP No. 8532 of 2003, within a period of three months from the date of receipt of copy of this order.

Subject to the above modifications, those contempt cases are closed. However, in view of the fact that the matter pertains to the retired employees, it is made clear that if any representations by the retired employees are received subsequently, their cases should also be considered on par with the members of the petitioner association."

2. In view of the above order of the High Court of Andhra Pradesh, all Ministries/ Departments are requested to take appropriate action for finalising the restoration of the 1/3rd portion of the pension to PSU absorbees in terms of the existing rules and regulations in the is latter.

3. It has been brought to the notice of this Department by a few pensioners that consequent upon this Department's O.M. 23rd June, 2005, many Ministries/ Departments had stopped even the normal procedure of restoration of commuted portion of pension of eon petitioners PSU absorbees also. The Office Memorandum of 23rd June, 2005, was not meant to put to an end the existing provision of restoration of 1/3rd pension of those PSU absorbees who had commuted 100% of their pension on their absorption in PSUs. The intention was only to bring to the notices all Ministries / Departments about the order of the High Court of Andhra Pradesh and the SLP filed in the Hon'ble Supreme Court of India. In any case, with the order dated the 28th September, 2005, of the High Court of Andhra Pradesh at Hyderabad, referred to above, the position stands cleared.

4. All Ministries/ Departments are therefore requested to initiate necessary action to restore one-third portion of those PSU absorbees who had commuted 100% of their pension when they got absorbed in PSUs as per the existing rules and regulations.

Hindi version will follow.

Deptt. of Health and Family Welfare OM No. S.14025/4/96-MS dated 20.08.2004

(Circulated vide DOT No. 4-12(2)/2004-PAT dated 05.10.2004)

Subject: Clarification on the views of this Department on Recommendations of the 5th Central Pay Commission on extension of CS (MA) Rules to Central Government Pensioners residing in areas not covered by CGHS

The CS (MA) Rules, 1944 is not applicable to the central government pensioners. The 5th Central Pay Commission had recommended extension of CS (MA) Rules, 1944 to the central government pensioners residing in the areas not covered by CGHS. On a reference received from the Department of Pensions and Pensioners Welfare on this subject, the response of the Department of Health had been conveyed through the O.M. No. S.14025/4/96-MS dated 5.6.1998. The response of this Department was that it did not have any objections to the proposal of extension of CS (MA) Rules, 1944 to central government pensioners residing in non-CGHS areas as recommended by the 5th Pay Commission, subject to the condition that the responsibility of administering the CS (MA) Rules, 1944 for pensioners, would be of the Departments/ Ministries concerned.

The said O.M. dated 5.6.1998 was in reply to a reference in O.M. No. 45/7497 PP&PW (C) dated 15.4.97 from the Department of Pensions and Pensioners' Welfare. After that also communication between both the departments had continued on this subject. In fact in a subsequent letter of same number dated 12.1.1999, the views of all the Ministries/ Departments of the Government of India had been sought before a final decision could be taken.

But unfortunately, the O.M. dated 5.6.1998 has been misinterpreted by some pensioners as the final order of the Government of India to extend CS (MA) Rules, 1944 to pensioners. A lot of avoidable litigation has already taken place because some pensioners have obtained favourable orders from various courts/tribunals on the basis of the said O.M. dated 5.6.1998,

It is therefore considered necessary to clarify unequivocally that the O.M. dated 5.6.1998 was not intended to be a final order extending the applicability of CS (MA) Rules, 1944 to pensioners. In fact, it is not possible for any individual department to take such policy decisions without obtaining views of various departments, and particularly, the Department of Expenditure. Such being the case, in the process of examining the recommendation of the 5th Pay Commission on this issue, the Department of Expenditure has categorically said that in view of huge financial implications, is not feasible to extend CS (MA) Rules 1944 to pensioners.

Therefore, any interpretation based on the O.M. dated 5.6.98 of this Department that the pensioners come within the purview of the CS (MA) Rules, 1944 is wholly misplaced.

DOT No. 40-6/2004-Pen(T) dated 31.12.2004

Subject: Payment of Pension/ Family Pension to the Group 'B' employees absorbed from DOT/ DTS/ DTO in BSNL w.e.f. 1.10.2000 - clarification regarding

Kindly refer to this office's letter no. 40-13/2002-Pen(T) dated 15.1.2003 vide which clarifications on payment of pension and family pension, after introduction of IDA pay scales, in respect of Group C and D employees absorbed in BSNL, were issued.

In this context, it is intimated that clarifications issued vide this office's letter dated 15.1.2003 cited above are applicable to Group B officers also, absorbed in BSNL, mutatis-mutandis.

DOT No. 7-24/2004/TA-I dated 05.01.2005

Subject: Implementation of New Pension Scheme in the Department of Telecommunications

References:

- (i) **Government of India, MOF Notification F. NO. 5/72003ECB&PR dated 22.12.2003,**
- (ii) **Controller General of Accounts OM No. 1(7)(2)/2003TA/11 dated 7.1.2004, and**
- (iii) **Controller General of Accounts OM No. 1(7)(2)/2003TA/67-74 dated 4.2.2004**

The Government of India, vide Ministry of Finance Notification F.No.5/72003-ECB&PR dated 22.12.2003 promulgated the New Pension Scheme which became operational with effect from 1.1.2004. The scheme is applicable and mandatory for all new recruits to the Central Government service (except the armed forces services at the first stage) joining service on or after 1.1.2004. Details of the scheme are available in the above-cited references, which are enclosed with this Office Memorandum. The following guidelines and instructions are issued for implementation of the New Pension Scheme in the Department of Telecommunications:

1. Immediately on joining the government service the government servant will be required to provide particulars as in Annexure-I. The pay drawing officer of the office where the officer is joining will be responsible for obtaining Annexure-I, duly filled in by the new recruit Annexure(s) -I will then be consolidated in Annexure-II by the pay drawing officer and forwarded to the Communication Accounts Officer (Pensions), i.e. the officer designated to handle pensions in CCA offices. In case the place of joining is a WMO/ WPC/ VTM unit, Annexure-II will be sent to the officer handling pensions of the office where the accounts are being rendered i.e. CCA office concerned or PAO (HQs) DoT as the case may be. In case of TEC an officer will be nominated by the Head of the office who would perform functions as indicated hereinafter, after receipt of Annexure-II from the pay drawing officer of the unit in case the office of joining is a training institute of PSU e.g. ALTTTC for ITS/ IP&TAFS direct recruits, the pay drawing officers of these PSU units will send Annexure-II to the CCA office where GPF accounts etc. of the PSU unit is being maintained. The pay drawing officers of the CCA/ WPC/ WMO/ VTM/ PSU, units are hereafter being referred as PDOs and Officers receiving Annexure-II from the PDOs in CCAs/ TEC/ PAO (HQs) DoT are being referred commonly as CAO (P) hereinafter.

2. Annexure-II should be received by the CAO (P) latest by 7th of the month following joining of the new recruit. On receipt of duly filled in Annexure-II, the CAO(P) shall allot the Permanent Pension Account Number (PPAN) to the new recruit after making necessary entries in the PPAN Index Register (format at Annexure-VII). The PPAN will be allotted by the CAO (P) in the following manner.

- a. The code will be of 16 digits.
- b. The first four digits will denote the calendar year (yyyy) in which the subscriber joins government service.
- c. The next digit will be '4' (FOUR) which is the Department code allotted to Department of Telecom by CGA, and will thus be common in all PPAN allotted by CAOs (P) in the Department of Telecom
- d. The next six digits will be a unique code allotted to each CAO (P) for PPAN allotment purpose. This will be sent shortly to all CAOs (P).
- e. The last five digits will be the running serials number of individual subscribers starting from '00001' running from January to December of a calendar year.
- f. ILLUSTRATION: The 1st government servant joining the Department of Telecom in the year 2004 shall be allotted the following PPAN:

Calendar Year				Min./ Dept.	CAO (P) Code						Serial Number					
2	0	0	4	4	X	X	X	X	X	X	X	0	0	0	0	1

(The 6 digit CAO(P) code xxxxxx is being sent separately).

It may be noted that no other authority except the designated CAOs (P) shall allot any PPAN to any government servant/subscriber under any circumstance whatsoever, in the Department of Telecommunications.

3. After allotment of PPAN, and recording it on Annexure-II itself, a copy of the same will be returned to the PDO by 10th instant. The PDO will in turn intimate it to the subscriber and also note in the pay bill register.

4. The CAO(P) will compile the Annexure(s)-II received from the PDO(s) in Annexure- IIA and send to Assistant Director General, DCA, TA-I Section, Room No.918, Sanchar Bhawan, New Delhi-110001 (referred as ADG (DCA) hereinafter) latest by 12th of every month.

5. The ADG (DCA) will consolidate the information contained in Annexure(s) - IIA, in Annexure-II B and forward it to the Central Pension Accounting Office, O/o Controller General of Accounts, Department of Expenditure, Ministry of Finance, Govt Of India, Trikot-II, Bhikaji Cama Place, New Delhi 110 066, which at present is functioning as the Central Record Keeping Agency for the above scheme, latest by 15th of the month instant.

6. The Tier-I contribution @ 10% of Basic Pay + Dearness Pay + Dearness Allowance, rounded-off to the nearest Rupee (refer Central Government Accounts (Receipt and Payment Rules) Appendix-D), shall be recovered by PDO from the salary of the subscriber. In case of new recruits, such deductions will be made from salary of the month following the month of joining.

7. Tier-II contribution is not to be deducted from the salary, as it has not been made operative at present.

8. No deductions are to be made towards GPF contribution from the government servants covered under the New Pension Scheme as the GPF scheme is not applicable to them.

9. The pay drawing officer will prepare the pay bills of these subscribers separately. They will also prepare a Tier-I contribution recovery schedule in the format as at Annexure-III in duplicate and attach them with the pay bill.

10. The pay drawing officer shall also prepare a separate bill drawing the matching contribution to be paid by the government supported by schedule in the format as at Annexure-IV.

11. Pre-check, payment and posting in the Detailed posting register will be made as per procedures. One set of schedule relating to subscriber contribution and Governments matching contribution will be detached and used for posting the contributions in the Detailed Ledger Accounts of the subscriber (as at Annexure-V) and tallied with the accounts figure as is done for GPF.

12. The PDOs will consolidate the information available in the schedules in format as at Annexure-VI and forward it to the CAO(P). CAO(P) shall again reconsolidate it in same format and forward it to ADG (DCA) latest by 10th of the month following.

13. The ADG (DCA) will consolidate the information contained in Annexure(s) - VI received from all the accounting units and forward it to the Central Pension Accounting Office, O/o Controller General of Accounts, Department of Expenditure, Ministry of Finance, Govt. Of India, Trikot-II, Bhikaji Cama Place, New Delhi 110066, latest by 15th of the month instant.

14. No withdrawal is allowed from Tier-1 and provisions regarding terminal payments in event of untimely death or leaving government service shall be notified later.

15. Instruction/ rate etc. payable on Tier-I balances will be issued later.

16. The transactions under paragraphs 6, 10 & 15 would be classified as credits under:

Major Head	8342	Other Deposits
Minor Head	120	Misc.Deposits
Sub Head	20	Defined Contribution Pension Scheme
Detailed Heads	20.01	Employees Contribution under Tier-1
	20.02	Government Contribution under Tier-1
	20.03	Interest on Contribution under Tier-1

17. The expenditure towards matching contribution by the Government would be classified as debits under:

(a) In case of offices other than WPC/ WMO

Major Head	3451	
Minor Head	502	Expenditure Awaiting transfer.

(b) In case of WPC/WMO

Major Head	3275	
Minor Head	502	Expenditure Awaiting transfer.

18. On receipt of Governments Instruction, the expenditure relating to transaction in para 15 would be debited to:

Major Head	2049	Interest Payments
Sub Major Head	60	Interest on other obligations
Minor Head	101	Interest on Deposits

Sub Head	29	Interest on Defined Contribution Pension Scheme
Detailed Head	29.01	Interest on Contribution under Tier-1
Object Head	29.01.45	Interest

19. The TACT codes and TACT Account code directory update floppy for the Account Heads mentioned in 16, 17 & 18 above is being sent separately.

20. No budget provision is required for booking government contribution in the Head prescribed in para 17 at present.

21. In case of transfer of the subscriber from one office to the other, either within the same or another accounting circle, the balances will not be transferred to the other office and therefore, no cheque or ATD is to be raised. The LPC from now on, be modified to include the following in all cases:

- Whether the officer is a post 1.1.2004 appointee and thus covered under the New Defined Contribution Pension Scheme... (This is to be compulsorily filled in by the LPC issuing authority as 'Yes' or 'No' as the case may be).
- If Yes, state the PPAN.... ..
- Subscribers contribution recovered together with Government's Contribution has been transferred to the relevant head of govt accounts and posted in ledger card up to (dd/ mm/ yyyy), and included in Annexure.....of..... (month) to CAO (P)/ ADG (DCA).

22. If the officer is transferred in middle of the month, recovery of contribution for the full Month will be made and governments contribution given by the PDO who draws salary for the maximum period.

23. Wherever there is a change in the emoluments of a government servant during middle of the month, the corresponding change in the government servant and government contribution will take effect from first of the following month.

24. At the end of each financial year, the CPAO will prepare the annual account statement for each employee showing OB, monthly deductions and Govt's matching contribution, interest earned and CB, and send it to the ADG (DCA), for onward transmission to CAO (P) concerned.

25. After close of each financial year, CPAO will report CAO (P)-wise details of balances to ADG (DCA) who would forward it to CAOs (P) for reconciliation.

26. After appointment of CRA and Fund Managers by the Govt, detailed instructions for transfer of balances to them will be issued.

27. Receipt of this OM may be acknowledged, and calendar of returns updated for timely submission of returns.

28. Hindi version will follow.

ANNEXURE-I

(Details to be furnished by the Government Servant)

1. Name of the Government Servant :
2. Designation :
3. Name of the Min./ Deptt./ Orgn., :
4. Scale of Pay :
5. Date of Birth :
6. Date of joining Govt.Service :
7. Basic Pay :
8. Nominee for accumulations under the pension account

Sl. No.	Name of Nominee(s)	Age	Percentage of Share Payable	Relationship with Govt.Servant

PDO

Signature of Govt.Servant

ANNEXURE – II (see para – 1)

Format in which information is required to be sent by PDO to CAO (P)

Name of PDO/ _____							
Name of Office and Address: _____							
Sl. No.	Name of the Govt. Servant	Designation	Basic Pay	Date of Birth	Unique Pension A/C Number in 15 Digits (to be allotted by CAO(P)		
Details of Nominee(s) for the accumulations under Pension Account							
Date of Joining Service	Name of Nominee(s)	Age	Relationship with Govt. Servant	% of share			
NAME OF THE PDO: _____							
OFFICE SEAL _____							
ANNEXURE – II A (see para – 4)							
Format in which information is required to be sent by CAO (P) to ADG(DCA), DoT (HQ)							
Name of CCA office: _____							
Six Digit Code: _____							
Sl. No.	Name of the Govt. Servant	Designation	Name of Office & Address	Basic Pay	Date of Birth	Unique Pension A/C No in 15 Digits (allotted by CAO(P)	Date of Joining Service
Details of Nominee(s) for the accumulations under Pension Account							
Name of Nominee(s)	Age	Relationship with Govt. Servant	% of share		Remarks		
Signature of CAO (P) with seal							
ANNEXURE –II B (see para – 5)							
Format in which information is required to be sent by ADG (DCA) DoT (HQs) to Central Pension Accounting Office							
Name of the Assistant Director General (DCA) DoT HQs: _____							
Code No.: _____							
Sl. No.	Name of the Govt. Servant	Designation	Name of Office & Address	Basic Pay	Date of Birth	Unique Pension A/C No in 15 Digits (allotted by CAO(P)	Date of Joining Service
Details of Nominee(s) for the accumulations under Pension Account							
Name of Nominee(s)	Age	Relationship with Govt. Servant	% of share		Remarks		
Signature of ADG (DCA) _____							
Office Seal _____							
ANNEXURE – III (see para – 9)							
Format of Schedule of Govt. servant's Contributions towards Tier I and Tier II of the New Pension Scheme (to be attached with the Pay Bill)							

DOT (HQs); and by ADG (DCA) (HQs) to Central Pension Accounting Office

Deductions for the month of

Sl. No.	CAO(P)/ADG (DCA) Code	Name of the Govt. Servant	Unique Account No. in 15 digits allotted by CAO(P)	Basic Pay Rs.	Amount of Contribution Under Tier-I Rs.	Govt's Contribution Under Tier-I Rs.	Govt. Servant's Contribution Under Tier-II *	Total Rs.	Remarks

* This column is not be used during the interim period.

ANNEXURE – VII
(see para – 2)**PPAN INDEX REGISTER**

Unique Pension Account No.	Name of Government Servant	Designation	Name of Office in which joined Service	Date of Birth	Date of joining Govt. Service	Signature of JAO/ AAO

Enclosure**D/o Economic Affairs' Notification No. 5/7/2003-ECB & PR dated 23.12.2003**

The Government approved on 23rd August, 2003 the proposal to implement the budget announcement of 2003-04 relating to introducing a new restructured defined contribution pension system for new entrants to Central Government service, except to Armed Forces, in the first stage, replacing the existing system of defined benefit pension system.

- (i) The system would be mandatory for all new recruits to the central Government service from 1st of January, 2004 (except the armed forces in the first stage). The monthly contribution would be 10 percent of the salary and DA to be paid by the employee and matched by the Central Government. However, there will be no contribution from the Government in respect of individuals who are not Government employees. The contributions and investment returns would be deposited in a non-withdrawable pension tier-I account. The existing provisions of defined benefit pension and GPF would not be available to the new recruits in the central Government service.
- (ii) In addition to the above pension account, each individual may also have a voluntary tier-II withdrawable account at his option. This option is given as GPF will be withdrawn for new recruits in Central Government service. Government will make no contribution into this account. These assets would be managed through exactly the above procedures. However, the employee would be free to withdraw part or all of the 'second tier' of his money any time. This withdrawable account does not constitute pension investment, and would attract no special tax treatment.
- (iii) Individuals can normally exit at or after age 60 years for tier-I of the pension system. At exit the individual would be mandatorily required to invest 40 percent of pension wealth to purchase an annuity (from an IRDA-regulated life insurance company). In case of Government employees the annuity should provide for pension for the lifetime of the employee and his dependent parents and his spouse at the time of retirement. The individual would receive a lump-sum of the remaining pension wealth, which he would be free to utilize in any manner. Individuals would have the flexibility to leave the pension system prior to age 60. However, in this case the mandatory annuitisation would be 80% of the pension wealth.

Architecture of the New Pension System

- (iv) It will have a central record keeping and accounting (CRA) infrastructure, several pension fund managers (PFMs) to offer three categories of schemes viz. option A, B and C.
- (v) The participating entities (PFMs and CRA) would give out easily understood information about past performance, so that the individual would able to make informed choices about which scheme to choose.

2. The effective date for operationalisation of the new pension system shall be from 1st of January, 2004.**No. 38/86/03-P&PW(A) dated 08.02.2005**
(Circulated vide DoT No. 36-01/2005-Pen(T) dated March, 2005)**Subject: Payscales for the Staff belonging to the Organized Accounts Department - Fixation of Pension - Regarding**

The undersigned is directed to refer to OM of even number dated 26.4.04 on the above subject and to state that the points/clarifications contained in the Table below para 3 of the said OM are substituted as under:

Sl. No.	Points Raised	Clarification
1.	Whether option as per Rule 5 and 6 of CCS (RP) Rules, 1997 are to be called afresh for pay fixation.	Rule 5 and 6 of CCS (RP) Rules, 1997 concern exercise of option by a Government employee regarding date from which pay in the revised pay scale is drawn. As new pay scale have been notionally implemented with effect from 1.1.96, hence pay of various categories of staff with effect from 1.1.96 would have to be refixed in such higher pay scale(s) in terms of CCS (RP) Rules, 1997. It would therefore, be justified to allow fresh option for drawal of pay in the revised pay scale(s) under Rule 5 and 6 of CCS (RP) Rules, 1997 to these employees.
2.	Whether those who got promotion to higher grades (including ACP after 1.1.96 will also be eligible to exercise fresh option for pay fixation under FR22 (1)(a)(i).	DOPT's OM No.16/8/2000-Estt. (Pay-I) dt 25.2.03 clarifies that a Government Servant may be allowed to revise the option exercised by him/ her on promotion/appointment to a higher grade in the event of unanticipated developments/ change of rules etc. Upgradation of pay scale notionally from 1.1.96 of a post is very much an unexpected development. The case of such of those employees as got a higher pay scale either on regular promotion or under ACP after 1.1.96 is, therefore squarely covered by the provisions of the aforesaid OM and they may be allowed to exercise fresh option for pay fixation under FR22(1)(a)(i).
3.	Whether the benefit of higher pay in the upgraded pay scale for calculating pensionary benefits, will be applicable to pensioners retired during 1.1.96 to 18.2.03.	Under notional fixation, the pay is actually fixed in higher pay scale from the date of such notional fixation, increments in the higher pay scales are also allowed but no arrears are payable. Accordingly, the pension of all the pensioners as had retired during 1.1.96 to 18.2.03 would have to be fixed as per the upgraded pay scales notionally extended from 1.1.96. However, no arrears shall be paid and the pension with reference to the higher revised pay scale shall actually be paid only with effect from 19.2.03.
4.	Whether difference of gratuity shall be payable to those who retired prior to the date consequent upon revision of pay scale of the accounts staff.	The difference of gratuity on account of revision of pay scales would not be payable to the persons who had retired prior to 19.2.03.
5.	Whether it should be applicable to encashment of leave, commutation etc.	It will be applicable only from 19.2.03.
6.	Whether revision of pension this case could be done on the basis of average emoluments notionally drawn during the last 10 months of service under Rule 34 of CCS (Pension) Rules.	Revision of pension is allowed as a special case in relaxation of Rules.
7.(i)	Whether the provisions contained in OM dated 17.12.98 issued by the Department of Pension are applicable, with reference to the upgraded pay scales with effect from 1.1.96, for the purpose of pension fixation on notional basis of average emoluments and the actual benefit will be allowed from 19.2.03.	In respect of Government servants retiring during the period 1.1.96 to 18.2.03 revision of pension would be fixed notionally on the basis of average emoluments with reference to the revised pay scales and would be not less than 50% of the minimum of the revised pay scale notionally extended with effect from 1.1.96. However, no arrears would be payable on this account for the period 1.1.96 to 18.2.03.
7.(ii)	Whether the benefit of fixation of pension with reference to upgraded scales could be extended to pre-96 retirees also.	The benefit of upgraded pay scales will not be admissible in the case of pre-96 retirees, however, their pension/ family pension will not be less than 50% and 30% respectively of the upgraded scale of pay as per the instructions contained in this Department's OM.

2. All other terms and conditions in OM dated 26.4.04 shall remain unchanged.

3. This issues with the approval of Ministry of Finance, Department of Expenditure, vide IC UO No.169/1/2005 dated 01.02.2005.

DOT No. 7-24/2004/TA-I dated 21.02.2005

Subject: Implementation of New Pension Scheme in the Department of Telecom

Reference is invited to para 2(d) of this office OM of even no. dated 5.1.2005 on the subject cited above in which it was mentioned that the six digit CAO(P) code will be sent separately. The said CAO(P) code is enclosed for information and further necessary action.

Enclosure –I

Proposed Six Digit Account Code For The Accounting Units Under The Department Of Telecom

Sl. No.	Name of Unit	Proposed 6 digit code for NPS purpose
1	Controller of Communication Accounts, Assam	771010
2	Controller of Communication Accounts, A.P.	771041
3	Controller of Communication Accounts, A&N .	771093
4	Controller of Communication Accounts, Bihar.	771042
5	Controller of Communication Accounts, Chattisgarh.	771096
6	Controller of Communication Accounts, Gujarat.	771043
7	Controller of Communication Accounts, Haryana.	771056
8	Controller of Communication Accounts, H.P.	771057
9	Controller of Communication Accounts, J&K.	771044
10	Controller of Communication Accounts, Jharkhand.	771098
11	Controller of Communication Accounts, Kamataka.	771045
12	Controller of Communication Accounts, Kerala.	771046
13	Controller of Communication Accounts, Kolkata Phones.	771033
14	Controller of Communication Accounts, Madhya Pradesh.	771047
15	Controller of Communication Accounts, Maharashtra.	771048
16	Controller of Communication Accounts, North East – I	771049
17	Controller of Communication Accounts, North East – II	771095
18	Controller of Communication Accounts, New Delhi.	771077
19	Controller of Communication Accounts, Orissa.	771051
20	Controller of Communication Accounts, Punjab.	771050
21	PAO (HQRS.) DOT.	771088
22	Controller of Communication Accounts, Rajasthan.	771052
23	Controller of Communication Accounts, Tamil Nadu.	771053
24	T.E.C. New Delhi.	771084
25	Controller of Communication Accounts, UP (East)	771053
26	Controller of Communication Accounts, UP (West)	771058
27	Controller of Communication Accounts, Uttaranchal.	771097
28	Controller of Communication Accounts, West Bengal.	771055

DOT No. 36-18/2000-Pen.(T) dated 04.05.2005**Subject: Issue of Identity Card to Retired/ Retiring Employees**

Department of Pension & PW vide their O.M. No.41/ 21/ 2000-P&PW (D) dated 16.11.2000 had instructed the Ministries/ Departments to issue I/ Cards to its retired/ retiring employees and that the expenditure on providing a laminated card will be borne by the pensioners.

It has now been decided by the competent authority, in consultation with Finance, that the laminated I/Card will be issued to the retired/ retiring employees free of cost.

No. CPAO/Tech/Amendments/Sch.Book/2005-06/69 dated 09.06.2005**Subject: Payment of Pension through Authorized Banks-Credit of Pension to Joint Bank Account operated by a Pensioner with his/ her Spouse**

Under the facility of disbursement of pension through authorized Banks available to pensioners, a pensioner is entitled to receive his/ her pension by getting it credited to a saving/ current bank account operated individually by him/ her. Paras 4.1, 4.2 and 12.9 of the "Scheme for Payment of Pension for Central Government Civil Pensioners Through Authorized Banks" outline the present procedure for credit of pension to Bank Account of the pensioner. However, operation of a joint account is not permitted under the existing scheme.

2. The matter whether pensioners should be given an option to receive pension by getting it credited to their saving or current bank accounts operated jointly with their spouse, has been under consideration. It has now been decided to permit credit of pension also to a joint account operated by pensioner with his/her spouse in whose favour an authorization for family pension exists in the Pension Payment Order (PPO). The joint account of the pensioner with the spouse could be operated either by 'Former or Survivor' or 'Either or Survivor' basis subject to the following terms and conditions:

- (a) Once pension has been credited to a pensioner's bank account, the liability of the Government/ Bank ceases. No further liability arises, even if the spouse wrongly draws the amount.
- (b) As pension is payable only during the life of a pensioner, his/her death shall be intimated to the bank at the earliest and in any case within one month of the demise, so that the bank does not continue crediting monthly pension to the joint account with the spouse, after the death of the pensioner. If, however, any amount has been wrongly credited to the joint account, it shall be recoverable from the joint account and/or any other account held by the pensioner/spouse either individually or jointly. The legal heirs, successors, executors etc. shall also be liable to refund any amount, which has been wrongly credited to the joint account.
- (c) Payment of Arrears of Pension (Nomination) Rules 1983 would continue to be applicable to a Joint Account with the pensioner's spouse. This implies that if there is an 'accepted nomination' in accordance with Rules 5 and 6 of these Rules, arrears mentioned in the Rules shall be payable to the nominee.
3. Existing pensioners desiring to get their pension credited to a joint account as indicated above are required to submit an application to the branch bank, from where they are presently drawing pension in the enclosed form. This would also be signed by the pensioner's spouse in token of having accepted the terms and conditions laid down in this Office Memorandum. These instructions are also applicable to the Govt. servants who will be retiring after the issue of this Office Memorandum.
4. The existing Scheme shall stand modified to the extent indicated above Formal correction to the Scheme will be issued in due course by the Central Pension Accounting Office.
5. All Ministries/ Departments and all Authorized Banks are requested to give publicity to the Office Memorandum so that pensioners may avail of this benefit.

To:

The Branch Manager

_____ (Bank)

_____ (Branch and Address)

Subject: **Payment of pension under PPO No. _____ through your bank branch.**

Dear Sir/ Madam,

I wish to receive my pension under PPO No. _____ by getting it credited to the saving/ current bank account No. _____ which is operated jointly in your branch by me and my spouse, Mr./ Mrs. _____ in whose favour an authorization for family pension exists in the Pension Payment Order (PPO).

I have read and understood the contents of the Government of India, Ministry of Finance, Department of Expenditure, Central Pension Accounting Office OM No. CPAO/Tech/ Amendment/Sch.Book/2005-06/69 dated 09.06.2005 which contains the following terms and conditions:

Once pension has been credited to a pensioner's bank account, liability of the government/bank ceases. No further liability arises, even if the amount is wrongly drawn by the spouse.

(a) As pension is payable only during the life of a pensioner, his/ her death shall be intimated to the bank at the earliest and in any case within one month of the demise, so that the bank does not continue crediting monthly pension to the joint account with the spouse, after the death of the pensioner. If, however, any amount has been wrongly credited to the joint account, it shall be recoverable from the joint account and/ or any other accounts held by the pensioner/ spouse either individually or jointly. The legal heirs, successors, executors etc., shall also be liable to refund any amount, which has been wrongly credited to the joint account.

(b) Payment of Arrears of Pensions (nomination) Rules, 1983 would continue to be applicable to the joint account with pensioner's spouse. Thus if there is an 'accepted nomination' in accordance with Rule 5 and 6 of these Rules, arrears mentioned in the Rules will be payable to the nominee.

I accept the above terms and conditions. My spouse too, in token of having accepted those terms and conditions, has put his/ her signature below.

1. Signature of Pensioner
2. Signature of Spouse

No. 45/1/2004-P&PW(G) dated 26.10.2005

(Circulated vide DOT Circular No. 36-3/2004-Pen(T) – I dated 20.12.2005)

Subject: **Implementation of the Recommendation of the Vth CPC regarding Conversion of 50% Dearness Relief into Dearness Pension — clarification regarding**

While implementing Ministry of Finance's O.M. 105/1/2004-IC dated 1.3.2004 certain doubts/ clarifications were raised by various Ministries/ Departments/ PAOs. The matter was examined in consultation with the Ministry of Finance and clarificatory O.Ms. dated 27.1.2005 and 24.2.2005 were issued. On receipt of further doubts the matter was again examined in consultation with the Ministry of Finance and Ministry of Law. The following clarifications are issued in supersession of the O.Ms. dated 27.1.2005 and 24.2.2005:

Points	Decision/ Clarification
(1) Whether minimum pension of Rs.1,275/- has been enhanced to Rs.1913/-? Should this amount be mentioned in PPO?	Minimum basic pension continues to be Rs.1,275/- in respect of those retired upto 31.3.2004. In such cases Dearness Relief equal to 50% of present pension will be merged with pension and shown distinctively as Dearness Pension. However, on conversion of 50% Dearness Allowance into Dearness Pay from 1.4.2004 the basic pension/ family pension in case of those retired on/ after 1.4.2004 should not be less than Rs.1913/-.
(2) Whether re-employed/ absorbees are eligible for Dearness Pension if not entitled for Dearness Relief on their pension?	No. Since they are not eligible for Dearness Relief, the question of conversion of 50% Dearness Relief into Dearness Pension does not arise.
(3) Whether pension should be not less than 50% of the minimum of the scale of the post OR not less than 50% of the minimum of the scale plus Dearness Pay of the post?	From 1.4.2004 pension should be not less than 50% of the minimum of the scale plus Dearness Pay of the post.
(4) Whether recovery of License Fee under Rule 72(6) can be made from Dearness Pension also?	No. Extant rule continues and License Fee will be recovered from Dearness Relief only.

2. In their application to the employees belonging to Indian Audit and Accounts Department these orders issue in consultation with the C&AG.

No. 4/66/2005-P&PW dated 09.12.2005

(Circulated vide DOT circular No.36-3/2004-Pen(T)-II dated 20.12.2005)

Subject: Settlement of Pensionary Terms etc. in respect of Government Employees transferred en-masse to Central Public Sector Undertakings/ Central Autonomous Bodies

The undersigned is directed to refer to this Department's Office Memoranda No. 4(8)/85-P&PW dated 13th January, 1986, dated 30th October, 1986, and to the Office Memorandum No. 4/18/87-P&PW (D) dated 5th July, 1989, wherein terms and conditions of settlement of pensionary entitlements of Government employees transferred en masse to Central Public Sector Undertakings/ Central Autonomous Bodies, by conversion of a Government Department, were laid down.

2. A new Rule 37-A was introduced in the CCS (Pension) Rules, 1972, vide Notification No. 4/61/99-P&PW (D) on 30th September, 2000, laying down fresh conditions for payment of pension to Government servants on their absorption in PSU/ Autonomous Body consequent upon conversion of a Government Department into a Public Sector undertaking/ Central Autonomous Body. Under this Rule, the absorbees had the option of either reverting back to the Government or get absorbed in the PSUs/ AB.

3. The Department of Pension & Pensioners' Welfare has issued a Notification. No. S.O. 1487 (E) in the Gazette of India (Extraordinary) on 14th October, 2005, amending sub-rule (8) of Rule 37-A of CCS (Pension) Rules, 1972, a copy of which is enclosed for ready reference.

4. In their application to the employees serving in the Indian Audit & Accounts Department, these orders issue in consultation with the Comptroller & Auditor General of India.

5. Hindi version will follow.

DOT No. 34-34/2004-Pen(T) dated 13.12.2005

Subject: Granting of BCR Grade IV Promotion to Retired Officials with Retrospective date - Reckoning of Notional Pay for Pensionary Benefit

Kindly refer to letter No. 22-6/94-TEII (Vol. II) dated 29.10.2002 from BSNL on the above subject granting the benefit of promotion to the retired Grade IV officials with retrospective effect in accordance with the revised procedure laid down in letter No. 22-6/94-TE.II dated 13.12.95 on the basis of their seniority in the basic grade and to further fix the pay of such officials notionally and to revise the pension accordingly.

2. In this context clarification were sought by various DOT units as to whether the pay fixed notionally (and not actually drawn) could be treated as emoluments in view of Rule 33 of CCS (Pension) Rules, 1972.

3. The case was examined in consultation with Department of Pension & PW. Under Rule 33 & 34 of CCS(Pension) Rules 1972 is not admissible on notional pay. Therefore it will not be correct to revise pension on the basis of notional pay. It has also been decided that similar cases of notional fixation of pay/pension should be contested by DOT in future whenever such cases are challenged in court and appeal may be filed in higher court in time wherever required and no relaxation of Rule be requested in such cases. Strict compliance to this should be ensured by BSNL officers in respect of above clarification.
4. CMD, MTNL/ BSNL is requested to bring the above clarification to the notice of all concerned working under them under intimation to Directorate.
5. CCA units etc. are also requested to take necessary action on the basis of the above clarification.
6. This issues with the concurrence of Finance Branch vide their Dy. No. 812/ ADG(F)/05 dated 27.10.05.

DOT No. 38-36/2005-Pen(T) dated 20.12.2005

Subject: Merger of certain percentage of DA as DP for reckoning emoluments for the purpose of DCRG and raising the ceiling on the maximum amount of DCRG from Rs. 1.00 lakh to Rs. 2.50 lakhs - DP&PW OM No. No.7/ 1/ 1995-P&PW (F) dated 14.7.1995—Hon'ble Supreme Court Judgement dated 11.08.2005 in CA No.129 of 2003 (State of Punjab & Ors Vs. Amar Nath Goyal & Ors) and other connected cases - regarding

The undersigned is directed to say that the 5th Central Pay Commission in its Interim Report had recommended that certain percentage of DA as on 1.7.1993, which is based on the average AICPI 1201.66, be treated as DP for reckoning emoluments for the purpose of DCRG under the CCS (Pension) Rules, 1972. It had also recommended that the ceiling on the maximum amount of DCRO be raised from Rs. 1.00 lakh to Rs. 2.50 lakhs. The Commission further recommended that these benefits be given effect from 1.4.1995. The recommendations were considered and accepted by the Government and aforesaid OM issued by this Department.

2. Shri B.S. Dhuri & others who had retired from the Postal Department between 01.7.1993 to 31.10.1994 filed OA No. 542, 942 & 943 of 1997 before CAT Mumbai Bench claiming benefits contained in the OM dated 14.7.1995 and challenging the cut-off date of 1.4.1995. The issue was referred to the Full Bench and the Hon'ble Tribunal in its Judgement dated 21.09.2001 allowed the OAs and held that there is no nexus or rational consideration in fixing the cut-off-date of 1.4.1995.

3. The Judgement of the Mumbai Full Bench was challenged by filing Writ Petition No, 884/2002 before the High Court of Mumbai. Even though the Writ Petition was admitted no stay was granted. The High Court in its interim order dated 29.4.2002 directed the Respondents (Applicants to the OAs) to file an undertaking before the High Court, on the basis of which the Department has to pay difference of DCRG as per the order of CAT, Mumbai Full Bench on conditional basis viz. the respondents have to file an undertaking before the High Court that in the event of the petitioners succeeding the writ petition, any excess amount received by them shall be refunded to the petitioners along with interest @ 6% p.a. from the date of the receipt of amount till refund. The Department of Posts has since complied with the interim order of the High Court.

4. During the pendency of the above mentioned WP before the Mumbai High Court, the Hon'ble Supreme Court passed order on 27.07.2004 transferring the WP to the Supreme Court along with SLP (C) No. 1207112072/2004 filed by UOI Vs. Shri K.K. Jaswal and other connected cases filed by Punjab Government in CA No.129 of 2003, for a final decision.

5. In the above mentioned cases, the Hon'ble Supreme Court delivered the judgment on 11.05.2005. Salient features of the judgment are as under:

- (a) Set aside the following cases:
 - (i) Common judgment and order of the High Court of Punjab & Haryana in CWP No. 4995/97 and in connected matters decided thereby.
 - (ii) Judgement and orders of High Court of Himachal Pradesh in CWP No.462/03 (dated 24.6.2003) and in Civil Review No.32/2003 (dated 11.9.2003).
 - (iii) Order dated 21.9.2001 of the CAT (Mumbai Bench) in OA No. 542, 942 & 943 of 1997 filed by Shri B.S. Dhuri & others.
- (b) Allowed Civil Appeal No.129 of 2003 and other Civil Appeals/ Special Leave Petitions as indicated in the Judgement.
- (c) Dismissed Civil Appeal Nos.133/ 03 and T.C. No. 41 /05
- (d) The Hon'ble Supreme Court considered the fact that financial and economic implications are very relevant and germane for any policy decision touching the administration of the Government, at the Central or at the State level.
- (e) After perusing various earlier judgments of the Apex Court that has been relied upon by the retired employees in support of their case, the Hon'ble Supreme Court opined that those judgements are of no assistance in resolving the issue before it.
- (f) The cut-off date fixed as 01.04.1995 is on a very valid ground, namely, that of financial constrains and rejected the contention that fixing of the cut-off was arbitrary, irrational or had no rational basis or that it offends Article 14

of the Constitution of India.

6. The contents of the judgment is brought to the notice of all concerned for complying with the following:

- (i) Wherever difference of gratuity has been paid in compliance of any CAT/ High Court order to retired employees on the basis of undertaking furnished by them, in view of the Supreme Court judgement, the amount received by them shall have to be refunded to the concerned Department along with interest (4 6% p.a. from the date of the receipt of amount till refund. Appropriate action may, therefore, be taken in this regard.
- (ii) Passing of the judgement may be brought to the notice of various Benches of CAT and High Courts through the Government Counsel, where cases are contested claiming the benefits contained in this Department's OM No. 7/1/1995-P&PW (F) dated 14.7.1995 as the Apex Court has declined to grant the relief while upholding the cut-off date as 01.04.1995 and set aside the order of CAT Mumbai Full Bench order dated 21.09.2001, so that those cases are straightaway disposed off/ dismissed,
- (iii) If any new cases are filed by retirees challenging the cut-off date of 01.04.1995/ 01.01.1996 the above judgement of the Hon'ble Apex Court in Civil Appeal No.129/2003 that has been reported in S.C. Services Law Judgements 2005 (2) 177 may be brought to the notice of CAT/ Court so that the cases are dismissed at the admission stage/ preliminary hearing.

No. 41/13/2005-P&PW(G) dated 01.02.2006

(Circulated vide DOT No. 36-3/2004-Pen(T) dated 20.02.2006)

Subject: Merger of 50% Dearness Relief with Pension to Central Government Pensioners/ Family Pensioners w.e.f. 1.4.2004 — Clarification Regarding

Consequent on merger of 50% Dearness Relief with pension/ family pension w.e.f. 1.4.2004, the existing pensioner/family pensioner will be eligible tin pension/ family pension Dearness Pension/ Dearness family pension Dearness Relief on both Pension/ family pension + Dearness Pension/ Dearness family pension from 1.4.2004. Complaints have been received that banks are not making payment of Dearness Pension and Dearness Relief to family pensioners.

1. The amount payable to pensioners/ family pensioners w.e.f 1.4.04 is given below for guidance of Pension Disbursing Authorities. All Pension Disbursing Authorities are requested to make necessary entries in PPOs on the basis of this table.

Pensioners/ family Pensioners	Entitlement
(a) Existing Pensioner/ family pensioner drawing pension/ family pension on 1.4.2004.	(i) Basic Pension/ family Pension, (ii) <i>plus</i> Dearness Pension/ Dearness family Pension (i.e. Dearness Relief equivalent to 50% of Basic Pension/ family pension as on 1.4.2004), (iii) <i>plus</i> Dearness Relief on both (i) & (ii) above.
(b) Family pensioner whose family pension sanctioned prior to 1.4.2004 but became payable on or after 1.4.2004.	(i) Basic Pension/ family Pension, (ii) <i>plus</i> Dearness Pension/ Dearness family Pension (i.e. Dearness Relief equivalent to 50% of Basic Pension/ family pension as on 1.4.2004), (iii) <i>plus</i> Dearness Relief on both (i) & (ii) above.
(c) Pensioner/ family pensioner whose Pension/ Family pension sanctioned on or after 1.4,2004	(i) Basic Pension/ family pension, (ii) <i>plus</i> Dearness Relief

DOT No. 5-18(4)/2004-PAT dated 08.02.2006

Subject: Clarification in respect of Membership Status of Group 'B' Officers in BSNL promoted to STS Group 'A' on Ad hoc Basis under CGEGIS –1980

The case in respect of clarification in respect of membership status of Group 'B' Officer in BSNL promoted to STS Group 'A' on ad hoc basis under CGEGIS – 1980 has been examined in consultation with the Nodal Ministry i.e. Ministry of Finance, Department of Expenditure, wherein they have clarified that Para 5.4 unless a promotion has been made for a specified or short period and it is expected that the employees would revert to a post in a lower group at the end of that period, he/ she should be treated to have been promoted for the purpose of the "Scheme".

It is quite clear that para 5.4 of the "Scheme" does cover ad hoc promotions. The question, whether an employee is likely to revert to a lower post or not, is to be decided by the administrative authorities in their discretion.

Action may be taken as per the clarifications given by the Nodal Ministry i.e. Ministry of Finance, Department of Expenditure as above.

DOT No. 6-42/2005/TA-I dated 14.02.2006

Subject: Schedule of Payment of License Fees/ Spectrum Charges by Telecom Operators (Remittances to RBI/ SBI by CCAs/ PAO-HQ)

.....
[Printed under Chapter 9 on CCAs]

No. 4/14/2006-P&PW (D) dated 31.05.2006

(Circulated vide DOT No. 36-3/2004-Pen(T) dated 22.11.2006)

Subject: Use of State Emblem on the Identity Cards to be issued to Central Govt. pensioners – regarding

Attention of Ministry of Agriculture etc. is invited to this Department's O.M. No. 41/21/2000-P&PW (D) dated 16th Nov. 2000 wherein instructions were laid down that Identity Cards may be issued to their retired/ retiring employees in the prescribed format attached with the said O.M.

2. It has been decided in consultation with the Ministry of Home Affairs that the State Emblem can be used on the identity Cards, to be issued to the Central Government pensioners on the same pattern as is done in the case of serving Central Government employees.
3. Ministry of Agriculture etc. are requested to take necessary action in this regard.
4. Hindi version will follow.

No. 34/3/2006-P&PW(G) dated 29.06.2006

(Circulated vide DOT No. 36-3/2004-Pen(T) dated 18.07.2006)

Subject: Commutation of Pension on Voluntary Retirement

It has been brought to the notice of this Department that in certain cases where Central Government employees have taken voluntary retirement a few days before the date of their superannuation, the commuted value of pension has been calculated by using the higher commutation values than those actually applicable without taking into consideration the age on the next birthday of the retiring employee, thus, causing considerable financial loss to the Government.

2. In such cases, the Commuted value of pension does not appear to have been computed according to the provisions of Rule 6 and Rule 8 of CCS (Commutation of Pension) Rules 1981. Rule 6 *ibid*, clearly stipulates, *inter alia*, that the commutation of pension becomes absolute on the date following the date of retirement. Further, according to Rule 8 *ibid*, the lump sum payable to the retiring Government Employee is calculated in accordance with the prescribed commuted values in consonance with the age on his/her next birthday and such values are applicable on the date on which the commutation becomes absolute.
3. All such cases where above procedure has not been followed and lump sum of commuted value of pension has been paid in excess of what would have been due, may be reviewed immediately and the excess amount wherever paid, may be recovered from the pensioners according to the relevant rules along with interest at the prescribed rates. The details of such cases along with the details of excess amount recovered/ to be recovered therefrom may also be sent to this Department within a month.
4. All Ministries/ Departments may take appropriate departmental action against the erring officials who were/ are responsible for wrong calculation of commuted value of pension and excess payment thereof causing financial loss to the Government.
5. All Ministries/ Departments may kindly ensure that such discrepancies do not re-occur.

Hindi version will follow.

DOT No. 40-23/2001-Pen(T)(Pt.I) dated 25.07.2006

Subject: Applicability of Rule 48(A) and Rule 48(B) of CCS (Pension) Rules, 1972, on seeking Voluntary Retirement from PSU after Absorption

I am directed to refer to a proposal received from BSNL in regard to issuance of notification/ clarification on the subject of applicability of Rule 48 (A) and Rule 48(B) of CCS(Pension) Rules,1972, in case of Gr. B, C, and D officials absorbed in BSNL on seeking their voluntary Retirement from the company after absorption. In this connection it has been decided in consultation with DOP &PW that Rule 48 (A) and Rule 48(B) are not applicable to such Government Servants absorbed in BSNL / MTNL.

DOT No. 7-1/2006/TA-I dated 14.09.2006

Subject: Payment of Leave Encashment

On review of accounts for the year 2004-05 and 2005-06 it is observed that the circle accounting units are admitting the Leave salary encashment bills received from BSNL and charging the expenditure under Major Head 2071 – Leave Salary Encashment.

In this context attention of all the circle accounting units is invited towards this office letter No. 7-1/2000/TA-1/17 dated 18.10.2000 which inter-alia stipulates that payment of Leave Salary encashment will be made by the DOT cell to the employees who are on deemed deputation to BSNL but BSNL will make payments to the employees who are absorbed in BSNL. This was further clarified in letter of even no. dated 31.7.2002. It is reiterated that Leave Salary Encashment of the employees on deemed deputation with BSBL will only be payable by DOT and in respect of the employees of DOT/DTS/DTO absorbed in BSNL irrespective of Groups/ Cadre the same will be paid by BSNL.

It is requested that the Leave Salary encashment made in each CCA Offices and other DOT Units viz., PAO(HQ), TEC, may please be got reviewed. Result of the review may be sent to this office.

No. 38/58/06-P&PW(A) dated 11.10.2006

(Circulated vide DOT No. 36-3/2004-Pen(T) dated 30.10.2006)

Subject: Applicability of CCS (Pension) Rules, 1972 in respect of those Appointed prior to 1.4.04 and put on Induction Training

The undersigned is directed to say that the Staff Side of the National Council (JCM) have pointed out that the period spent on induction training by employees after their appointment is treated as qualifying service for pension. Staff Side of National Council (JCM) has sought clarification whether such of those employees who were appointed prior to 1.1.04 and put on induction training may be treated as covered under the CCS (Pension) Rules.

The request made by Staff Side of the National Council (JCM) has been examined and it is clarified that the employees who were put on induction training after their appointment prior to 1.1.04 and are paid salary from that date would be covered under CCS (Pension) Rules, 1972.

DOT No. 27-2/2006-SNG dated 20.10.2006

(Also Circulated under DOT No.7-1/2000/ TA-1 KW-II/17 dated 28.12.2006)

Subject: Counting of Past Services of the Temporary Status Mazdoors upon their Absorption in BSNL - regarding

In supersession to previous orders for absorption in respect of Temporary Status Mazdoors (TSMs), it has been decided that those Temporary Status Mazdoors who have been regularized in pursuance of this office letter no. 269-94/98-STN-II dated 29.09.2000 were to be absorbed in BSNL w.e.f. 1.10.2000 as per their status as existing on 30.09.2000.

Accordingly Presidential Orders may be issued in respect of those Temporary Status Mazdoors who were having TSM status prior to 30.09.2000 so as to allow them benefit of counting of 50% of the TSM period for pensionary benefits, Related service matters of these TSMs absorbed in BSNL w.e.f. 1.10.2000 may be resolved accordingly.

It is further clarified that in respect of those Casual Labourers who were not having TSM status as on 30.09.2000 and who have been regularized in BSNL after 1.10.2000, their status will be of a PSU appointee and therefore, no Presidential Order

need be issued in such cases.

Prior to issue of Presidential Orders, the cases of eligible TSMs may be examined and forwarded through BSNL HQ for approval for issue of Presidential Orders. The individual Presidential Orders will be issued at circle level under the signature of the Director (Estt.) designated for the issue of P.O.

DOT No. 6-37/2005/TA-I dated 08.11.2006

Subject: Refund of Savings Fund under CGEGIS '80 to the ex-DOT Employees Absorbed in BSNL

A reference is invited to this office letter No. 6-37/2005/TA-I dated 29th Sept. 2005 on the above subject. The matter of refund of amount from Savings Fund under CGEGIS '80 was taken up with Ministry of Finance who have agreed to the extent of following:

- (i) The extension of CGEGIS '80 for BSNL employees up to 31-07-2005 with the condition that recoveries of contribution have indeed been made up to July, 2005.
 - (ii) DOT may ascertain the amount due for payment to BSNL independently.
 - (iii) The amount due to be paid to BSNL out of Savings Fund may be got confirmed/ certified from CGA.
 - (iv) The payment may be made from Public Account directly.
 - (v) Refund of Insurance component of Insurance Fund is not admissible.
2. Based on the amount as received from CCAs and BSNL Corporate Office New Delhi, a proposal for confirmation of an estimated amount of Rs. 438 crore has been sent to CGA. Instructions have also been issued to CMD, BSNL, New Delhi, for necessary action vide this office OM of even No dt. 8.11.2006 (Copy enclosed).
 3. All CCAs/ Director (A/c-II), DOT (HQ) are requested to call for the necessary papers/ documents etc. and finalize the amount of refund payable to BSNL for effecting payment to the individual employees. The following further instructions are issued:
 - (i) The amount of refund payable will be the amount corresponding to the CGEGIS refund Table circulated vide this office Circular No.5-18(2)/2005-PAT dt. 28.1.2005 and cessation of membership of the scheme is July, 2005.
 - (ii) The refunds already made to the employees subsequent to their retirement/ death/retirement on other grounds will not be included again.
 - (iii) The guidelines given by the Ministry of Finance vide Para 1 above may be observed. As regards checking of individual claims it has been decided that 10 per cent check of the individual claims may be carried out in such a way that claims of each and every unit is checked. If, however, it is felt on 10% check that the methodology of calculation of the amount due as per
 - (iv) CGEGIS'80 Rules has not been followed correctly, the entire calculation may be returned to the BSNL Circle concerned for recalculation and resubmission.
 - (v) The final amount due for payment for the Circle as a whole may be intimated to Shri S.K. Mukherjee, ADG (DCA), Room No.917, Sanchar Bhawan, 20 Ashok Road, New Delhi for further necessary action at (HQ) and the required cheque to BSNL will be issued on receipt of further communication from this office.
 - (vi) The list of employees and other details including individual wise amount of refund under the scheme to be received from BSNL Circle may be preserved for a period of ten years for the date of payment for future reference along with the payment certificate received from the BSNL Circles.
 - (vii) The amount of expenditure on account of refund of Savings Fund under CGEGIS '80 will be classified under Major Head 80110010302 –Savings Fund.

Enclosure:

DOT No. 6-37/2005/TA-I dated 08.11.2006

To: CMD BSNL

Subject: Refund of Savings Fund under CGEGIS '80 to the ex-DOT Employees Absorbed in BSNL

Kindly refer to this Department's OM No. 5-18(3)/2006-PAT dated 25.10.06 wherein the decision of the Ministry of Finance (Deptt. Of Expenditure) on the above subject was communicated.

An action was already taken in your office to start the process of calculation of individual amount of refund for enabling concerned CCAs to cross check the amount so calculated and issue of a consolidated cheque to concerned BSNL Circles vide then DDG (CA) DO letter No. 500-144/ DDG (CA)/ Misc/ 2005 dated 13.5.2005 and circular No. 500/ 57/ 2005/ CA-II/ BSNL dt. 15.9.2005. It is hoped that the said exercise is already over in all the BSNL circles including BSNL Corporate Office, New Delhi.

In view of above as also to expedite the refund under Saving Fund of CGEGIS '80 to the individual employees it is requested that instructions to all BSNL Circles may please be issued immediately for taking the following action:

- (i) To treat the cessation of Membership of CGEGIS'80 as July, 2005.

- (ii) To collect the individual claim in prescribed Form (Annexure-C) from all the employees of the concerned BSNL Circles.
- (iii) To work out the amount of savings fund in respect of each eligible employees based on the CGEGIS refund Table prescribed by Ministry of Finance.
- (iv) To prepare a list of employees (BSNL Circle wise) eligible for refund from Saving Fund of the Scheme in the following proforma and send the same to the concerned CCAs:

Sl. No.	Name	Group of the Scheme	Designation	Year of becoming member of the Scheme	Employee No.	Amount of refund payable
1						
2						
3						
G. Total						

- (v) The following certificates signed by concerned officers not below the rank of Chief Accounts Officer should accompany the above statement:
- (a) It is certified that the monthly CGEGIS subscriptions in respect of all the employees included in the list have been recovered and credited to Govt. account through CCA....and the fact of recovery have been noted in the Service Book of the concerned employees.
- (b) The amount of refund payable as indicated in the list is as per refund Table issued by Ministry of Finance and is upto July, 2005.
- (c) Certificate that CGEIGS refund claim has been forwarded to CCAfor making payment has been recorded in service book of the concerned officials vide at P.....
- (vi) Payment particulars may also be recorded in Service Books of the concerned officials when payment is made.
- (vii) Name and designation of the BSNL Circles in whose favour cheque to be issued by the concerned CCAs.
- (viii) After payment is made to all the concerned employees a certificate that amount of CGEGIS refund has been made to all the concerned employees may be sent to concerned CCAs for records.

This has the approval of Member (Finance).

No. 38/64/05-P&PW(A) dated the 09.11.2006

(Circulated vide DOT No. 36-3/2004-Pen(T) dated 05.12.2006)

Subject: Issue of a Show-cause Notice to the Pensioner before Imposing a Cut in his pension where the Pensioner is Convicted in Judicial Proceedings for an Offence Committed by Him while in Service

As per this Department's OM No.38131 f86-P&PW dated 1st January, 1987 (GOI Decision No. 4 below Rule 9 of CCS (Pension) Rules, 1972, when a full-fledged enquiry under CCS (CCA) Rules has been conducted and the person concerned has been given an opportunity to show cause in the proceedings, it is not necessary to give the pensioner concerned any further opportunity to show cause before imposing the cut in pension.

2. The question whether a show-cause notice to the pensioner is necessary before imposing a cut in his pension where the pensioner is convicted in judicial proceedings for an offence committed by him while in service, has been examined in consultation with Department of Legal Affairs and it has been decided that in order to meet the principal of natural justice, it is a pre-requisite to issue a show cause notice on the basis of conviction to the pensioner before imposing any cut in his pension for clear manifestation of principle of natural justice.

No. 45/86/97-P&PW (A)-Part-III dated 21.12 2006

(Circulated vide DOT No. 36-3/2004-Pen(T) dated 18.01.2007)

Subject: Implementation of Government's Decision on the Recommendations of the 5th Central Pay Commission Revision of Pension of pre and post 1986 Pensioners/ Family pensioners etc. Extension of Date of Submission of Application for Revision of Pension/ Family Pension

The undersigned is directed to refer to this Department's OM of even number dated 7.06.2005 extending the date of submission of applications for revision of pension/family pension of pre-1986 pension/ family pensioners upto 31.12.2005. Representations have been received in this department for extending the date for submission of applications beyond 31.12.2005. The matter has been considered in this department and it has been decided to extend the date of submission

of application for revision of pension/family pension in such cases upto 31.12.2007. However, Defence civilian pensioners will continue to be governed by orders issued by the Ministry of Defence.

Similarly it has also been decided to extend the date of submission of applications for revision of pension/family pension with reference to this department's OM No.(1) 45/88/97-P&PW(A)-Part IV dated 08.05.1998 read with OM dated 30.11.1998 and dated 17.12.1998 for submission of applications by the pensioners covered under these OM upto 31.12.2007.

This extension of date upto 31.12.2007 is the last opportunity for submission of application for revision of pension/family pension with reference to this department's OM No.(1) 45/86/97-P&PW(A)-Part IV dated 08.05.1998 read with OM dated 30.11.1998 and dated 17.12.1998

Ministry of Agriculture etc. are requested to bring the contents of these orders to the notice of heads of Departments/ Controller of Accounts, Pay and Accounts Officer and attached and Subordinate Offices under thorn on top priority basis. All Pension Disbursing Authorities are also advised to prominently display these orders on their note boards for the benefit of the pensioners/ family pensioners.

DOT No. 7-1/2000/TA-I/KW-1 dated 12.04.2007

Subject: Processing and Finalization of Various Retirement Benefits of Absorbed BSNL Employees

The various provisions relating to processing, checking and finalization of retirement benefits (pension, family pension, DCRG and commutation of pension) are contained in CCS (Pension) Rules and Telecom Accounts Manual Vol-I. Adherence to these rules and procedures by BSNL Circles and concerned CCA Units have been time and again reiterated from DOT (HQ). Various steps to ensure timely payment of pension and other retirement benefits to BSNL employees have also been circulated to all concerned BSNL Circles and CCA units vide this office letter No. 7-1/2000/TA-I/21 dated 12th November, 2001.

Had the procedures, instructions and guidelines on the subject been followed scrupulously, there exists hardly any occasion of delay in settlement of the cases and any chance of fraudulent payment on this account. But instances of delay in settlement of cases as also fraudulent payment of pension, DCRG, commutation of pension have been brought to the notice of Telecom Commission.

To safeguard the fraudulent payment of various retirement benefits the following instructions are issued for strict observance by the concerned officers of CCA units:

- (i) The pension cases received in CCA units will be first be reviewed by the Jt. CCA level officer and where the CCA unit is headed by Jt. CCA, the Dy. CCA will discharge this function. The reviewing officer will countersign the form 7 (form 18 in case of family pension) on the left hand side of Col. 30 (27 in case of family pension) and then to mark the case to the concerned Sr. CAO/ CAO who has been assigned the job of checking and finalization of pension cases.
- (ii) Head of CCA unit will designate the Jt. CCA/ Dy.CCA who will review the pension cases as in (i) above and communicate the same to the concerned officers of BSNL Circle for sending the pension cases to the designated Jt. CCA/ Dy.CCA concerned on obtaining the receipt thereof.
- (iii) The Jt. CCA/ Dy.CCA will check the particulars of the officials with reference to list of retirees received from BSNL on 1st January and 1st July each year as envisaged in Rule 56 of CCS (Pension) Rules and ensure that the officials whose pension cases have been sent are as per the list so received or the information other than superannuation viz. voluntary retirement, prorata pension/ death etc.
- (iv) There may be instances where the pension papers received do not figure in the list of retirees so received or the other information received. In such an eventuality, the Jt. CCA/ Dy. CCA concerned will immediately confirm from concerned officer of BSNL from whom the case has been received the reasons of non-inclusion of the name of the pensioner in the list received from his office or in the other information and may accept the cases/ cases if a valid reason like transferred from outside Circle, omitted in the list of retirees etc. (official confirmation should follow subsequently) and marked the papers to the concerned Sr. CAO/ CAO of his office for further necessary action of checking and finalization of the case.
- (v) Head of CCA units will review the status of pension cases on the last working day of each month and ensure that the cases settled during the month are as per the list of retirees or other information like voluntary retirement, death, prorata pension etc. as received from BSNL and take necessary action to get the outstanding cases settled at the earliest.
- (vi) Sr. CAO/ CAO (Pen) of CCA office after admitting the pension case issue necessary authority (pay order) for DCRG, Commuted value of pension to Sr. CAO/ CAO (Cash) for drawing the bill and issue cheque in favour of the retiree.
- (vii) Sr, CAO/ CAO (Cash) of CCA office will draw a bill based on the authority received from Sr. CAO/ CAO (Pen) and issue an account payee cheque against the said bill in favour of the retiree and send it to the officer from whom the case was received for delivery to the payee on proper identification and receipt.

It is reiterated that the existing procedures to be followed both by the officers of BSNL and CCA units for ensuring timely payment of pension and other retirement benefits as contained in CCS (Pension) Rules and Telecom Accounts Manual Vol-I

and the various steps to be taken as per this office letter No. 7-1/2000/TA-I/21 dated 12th November, 2001 are to be strictly adhered to.

This has the approval of Member (Finance), Telecom Commission.

Deptt. of Pension and Pensioners' Welfare O.M. No. 1/19/03-P&PW (E) dated 06.09.2007

*Addressed to all Ministries/ Departments of the Government of India
(Circulated vide DOT O.M. No. 36-3/2004-Pen (T)-II dated 26.09.2007)*

Subject: Extension of Scope of Family Pension to Unmarried Daughters of Central Government Servants/ Pensioners

The undersigned is directed to say that as per the existing provisions under clauses (ii) and (iii) of sub-rule (6) of Rule 54 of the C.C.S. (Pension) Rules, 1972, read with of para 7.2 (b) of this Department's O.M. No. 45/ 86/ 97-P&PW (A)-Part I dated the 27th October 1997, son/ daughter including widowed/ divorced daughter is eligible for grant of family pension till he/ she attains the age of 25 years or up to the date of his/ her marriage/ remarriage, whichever is earlier subject to income criterion laid down in this Department's O.M. No. 45/ 51/ 97-P&PW (E) dated the 5th March 1998 which stipulates that a son/ daughter, including widowed/ divorced daughter, shall not have an income exceeding Rs.2550/- per month from employment in Government, the private sector and self employment, etc., to be eligible for family pension. Orders were also issued vide this Department's O.M. No. 45/ 51/ 97-P&PW(E) (Vol. II) dated 25th July 2001 regarding eligibility of disabled divorced/ widowed daughter for family pension for life subject to conditions mentioned therein. Further, orders were issued for making the widowed/ divorced daughter eligible for family pension vide this Department's O.M. of even number dated 25th August 2004.

2. The Staff Side of National Council (JCM) had raised the issue of extension of scope of family pension to unmarried daughters of the Government servants/ Pensioners even after attaining the age of 25 years at par with the widowed/ divorced daughters, which has been agreed to in principle. It has, accordingly, been decided that the unmarried daughters beyond 25 years of age shall also be eligible for family pension at par with the widowed/ divorced daughters subject to other conditions being fulfilled. Grant of family pension to unmarried/ widowed/ divorced daughters shall be payable in order of their date of birth and younger of them will not be eligible for family pension. It is further clarified that family pension to unmarried/ widowed/ divorced daughters above the age of 25 years shall be payable only after the other eligible children below the age of 25 years have ceased to be eligible to receive family pension and that there is no disabled child to receive the family pension.

3. This issues with the concurrence of the Ministry of Finance, Department of Expenditure vide their U.O. No. 380/ E.V/ 2006 dated 05.01.2007.

4. These orders, in so far as their applicability relates to the employees of the Indian Audit and Accounts Department, are being issued in consultation with the Comptroller and Auditor General of India, vide their U.O. No. 56 Audit (Rules)/ 12-2007 dated 22.05.2007.

(M.P. Singh)
Director

Department of Pension & Pensioners' Welfare O.M. No. 4/79/2006-P&PW (D) dated 06.09.2007

*To all Ministries/ Departments of the Government of India
(Circulated vide DOT No. 36-3/2004-Pen (T) dated 26.09.2007)*

Subject: Restoration of 1/3rd Commuted Portion of Pension in respect of Government Servants who had drawn Lumpsum Payment on Absorption in Public Sector Undertakings/ Autonomous Bodies – Implementation of Andhra Pradesh High Court Judgment dated 24.12.2003 in Writ Petition No. 8532 of 2003 followed by the Supreme Court Judgment dated 29.11.2006 in Civil Appeal No. 5269 of 2006 arising out of SLP Nos. 21647-648 of 2005 and the Supreme Court Judgment dated 24.07.2007 in Review Petition No. 643 of 2007

The undersigned is directed to say that the Government servants who had drawn lump sum payment in respect of pro-rata pension (1/3rd as well as 2/3rd) on absorption in a PSU/ Autonomous Body and have become entitled to restoration of 1/3rd commuted portion of pension as per the provisions of this Department's O.M. No. 34/2/86-P&PW dated 5th March '87 after 15 years from the date of commutation or 1.4.85 whichever is later, are regulated vide this Department's O.M. No. 4/59/97-P&PW (D) dated 14th July 1998 as clarified from time to time.

2. Andhra Pradesh High Court in its judgment dated 24.12.03 in Writ Petition No. 8532 of 2003 followed by the Supreme Court judgment dated 29.11.06 in Civil Appeal No. 5269 of 2006 arising out of SLP Nos. 21647-648 of 2005 and the Supreme Court Judgment dated 24.7.07 in Review Petition No. 643 of 07 has decided as under:-

".....the public sector undertaking absorbees are also entitled for dearness relief etc. but not on entire pension commuted as on the date of retirement. Moreover they received lump sum amount by way of terminal benefits on surrendering on 2/3rd pension. In that way, they have already parted with 2/3rd pension, it cannot be said to revive after 15 years. But, in case of Central government pensioners 2/3rd pension was continued to be received by them. Therefore, what is restored is 1/3rd pension which means full pension. But the same principle cannot be applied to say that the absorbee will get full pension after 15 years in case those who had commuted 1/3rd pension and received terminal benefits for 2/3rd pension had he not surrendered, he continue to receive 2/3rd pension, the same principle apply as in case of Central Government employee. But having received the cash compensation in respect of the surrender value of 2/3rd, he cannot be allowed to say that he is also a pensioner as far as 2/3rd pension is concerned. Such absorbee stand on a different footing and they fall in a different class by themselves on this issue. Under those circumstances, the inescapable conclusion is that 1/3rd pension has to be arrived at only on the basis of the basic pension divided by three after completion of 15 years which becomes drawable as on the date of respective dates and not to be arrived by deducting Rs. 403/- from the pension. Therefore, the petitioner will be entitled to as follows:-

Restorable Pension:

From 28.06.87 to 31.12.1995

Basic Pension (604/1/3rd)

Rs.201/-

Rs.538/- Dearness Relief.

Rs.125/- Additional Benefits

Total:

Rs.864/-

From 01.01.96 onwards (5th Pay Commission)

1/3rd of Basic Pension (1,350/1/3rd)

Rs. 450/-

Rs. 185/- Interim Relief

Rs.1,998/- Dearness Relief

Rs. 540/- Fitment

Total

Rs.3,173/-

In this case the employee had commuted minimum permissible pension i.e. 1/3rd. But even if lesser portion is commuted, the pro-rata commuted portion has to be deducted from the basic pension to arrive at restorable pension, but however, he will get dearness relief, interim relief etc. on full basic pension.

3. The modalities of implementation of above judgement have been under active consideration of the Government. The President is pleased to decide that in partial modification of this Department's O.M. No. 4/59/97-P&PW (D) dated 14th July 1998, the Government servants who had drawn lump sum payment in respect of pro-rata pension (1/3rd as well as 2/3rd) on absorption in a PSU/ Autonomous Body and have become entitled to restoration of 1/3rd commuted portion of pension as per the provisions of this Department's O.M. No. 34/2/86-P&PW dated 5th March 87 after 15 years from the date of commutation or 1.4.85 whichever is later, shall be entitled to the benefit of revision of restored amount of 1/3rd commuted portion of pension as explained hereunder:-

(I) As on 01.01.1986

a. The full pension of the absorbees shall be notionally revised w.e.f. 1.1986 based on full pension on absorption in accordance with the instructions for revision of pension, issued for implementing the 4th Pay Commission Recommendations.

b. The restorable 1/3rd pension shall be the sum of the following:-

i. 1/3rd of full pension as on 31.12.1985

ii. Dearness Relief on full pension as on 31.12.1985.

iii. Additional benefits on full pension as per this Department's O.M. No. 2/1/87-PIC dated 16.4.1987 relating to implementation of the 4th Pay Commission Recommendations.

(II) As on 01.01.1996

a. The full pension of the absorbees shall be notionally revised w.e.f. 1.1.1996 based on full pension as on 31.12.95 in accordance with the instructions for revision of pension, issued for implementing the 5th Pay Commission Recommendations.

b. The restorable 1/3rd pension shall be the sum of the following:-

i. 1/3rd of full pension as on 31.12.1995.

ii. Dearness Relief on full pension as on 31.12.1995.

iii. IR-I and IR-II.

iv. Fitment @ 40% of the full pension as on 31.12.1995*

(*in terms of this Department O.M. No. 45/ 86/ 07-P&PW (A)-pt. II dated 27.10.1997).

Payment of DR shall be on full pension and is subject to the condition that the absorbed employee was not re-employed/ employed under the Central Government or State Government or a Corporation/ Company/ Body/ Bank under them in India or abroad, including permanent absorption in such Corporation/ Company/ Body/ Bank at the time of restoration.

The benefit of revision of restored amount of 1/3rd commuted portion of pension shall be admissible from the date the

commuted portion of pension is restored.

This issues with the concurrence of Ministry of Law vide their UO No.11088/07-A dated 17.8.2007 and Ministry of Finance (Department of Expenditure) vide their UO No. F-47/ E.IV/ 2007 dated 27.8.2007.

Hindi version will follow.

(Amitabh Dwivedi)
Under Secretary

F. Procedure for Disposal of Audit Paras

F.1. Potential Draft Para (PDP)/ Branch Audit Paras

F.1.1. Procedure at the Unit (Field and Headquarters) Level for P&T paras proposed by Branch Audit Offices.

The important financial irregularities are in the first instance brought to the notice of Head of Unit* through Audit Paras by the Branch Audit Officers concerned. The Head of Unit should immediately, on receipt of the Para, verify the facts and figures contained there in and furnish the reply to audit within three weeks from the date of receipt of the Potential Draft Paragraph.

The Head of Unit should simultaneously submit to the Nodal Officer**, two copies of Potential Draft Paras together with two copies of replies furnished by them to audit along with a comprehensive report indicating the remedial or disciplinary action taken or proposed to be taken in the matter.

The report to the Nodal Officer should be exhaustive and should contain a critical analysis of the various points arising out of the Potential Draft Para and no vital information should be kept back. There should not be any attempt at shielding any official responsible for the irregularity and all the relevant facts should be mentioned in their fullest details. Such reports would be very helpful to the Nodal Officer for dealing with the draft audit para when formally proposed by the Principal Director of Audit, P&T, for formulating their final comments without any delay in obtaining information from Head of Unit.

Two copies of subsequent replies, if any sent to the Branch Audit Offices in this regard should also be endorsed to the Nodal Officer along with two copies of communication received from audit.

As a result of explanation given by Head of Unit some of the Potential Draft Paras proposed by the Branch Audit Offices may be dropped by the Principal Director of Audit, if the audit is not satisfied with the replies to the Branch Audit Paras, Draft Audit Paras are proposed by Principal Director of Audit for further clarification.

Head of Unit may have periodical meetings with the Head of the Branch audit Office concerned for discussing the issues raised in the Potential Draft Para proposed by the Branch Audit Offices and to get them dropped by offering satisfactory explanation to them.

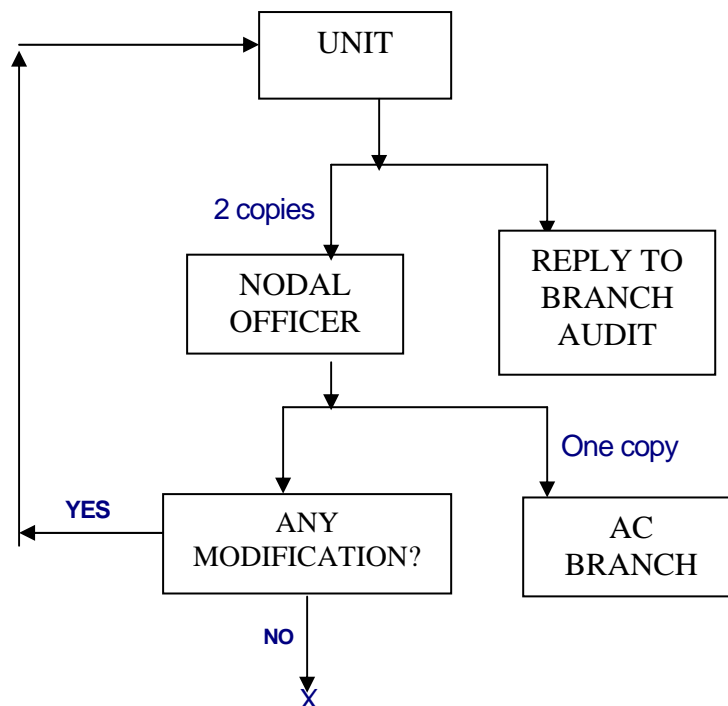
Heads of Units are assigned the task of settlement of Potential Draft Paras; and provide detailed information for the DAPs and paras in CAG reports. They are required to ensure speedy disposal of all such cases. They have to continuously monitor the progress of each such case at all stages till they are finally dropped or explained to the Public Accounts Committee after their inclusion in the C&AG's Report.

*Unit: Unit includes all wings at the Headquarters and field units, reporting to Department of Telecommunications, subordinate or attached offices, statutory bodies, statutory tribunal, or

autonomous bodies. Units at HQ include all the wings of DoT Headquarters, Attached Office - Office of Administrator of USOF, Statutory Body - Telecom Regulatory Authority of India; Statutory Tribunal - Telecom Disputes Settlement and Appellate Tribunal; Autonomous body - Centre for Development of Telematics; attached/ subordinate offices - CCA/ Jt. CCA offices, VTM offices, WMO offices and TEC.

****Nodal Officer:** Nodal officer is the Officer responsible for settlement of audit paras; pertaining to the work allotted to him/ her, as per the orders issued by O&M branch from time to time; and is usually a SAG rank officer, in-charge of a wing at the DoT HQs.

POTENTIAL DRAFT PARA (P&T only)



F.1.2. Procedure at DOT (HQ) for Audit Paras Proposed by Branch Audit Offices:

- (i) In the Directorate, the Director (Audit Coordination) has been nominated as the coordinating officer in connection with Potential Draft Paras.
- (ii) On receipt of the copies of the Branch Audit Offices from the Head of Unit, the Nodal Officer, will send one copy of the para with the replies, etc. to the Director (AC).
- (iii) The Nodal Officer should open a separate file for each audit para and submit the case to the Adviser or Member concerned as the case may be, with comments. Generally, it has to be satisfied that the Head of Unit has taken or has initiated appropriate action in the matter and wherever necessary suitable directives should be issued by the Head of Unit. It should also be examined at this very stage whether the Potential Draft Paras proposed by the Branch Audit Offices disclosed any lacuna in the rules or serious irregularity on the part of any official calling for disciplinary action. Necessary action to amend the rules wherever necessary should be taken simultaneously.

- (iv) Any modification/ alteration made in the Directorate should be intimated to the Head of Unit, with a copy to Audit Coordination Branch.
- (v) The Audit Coordination Branch will maintain a register showing Potential Draft Paras proposed by the Branch Audit Offices and received in the Directorate.

F.1.3. Procedure for Commercial Potential Draft Paras

The audit paras raised in the first instance in the field offices of the PSUs are brought to the notice of Head of field formation of the PSU and replies are submitted thereon to the Branch Audit Officers. All PSUs will devise their own systems, as per their organisation and structure, for monitoring and timely reply of these paras to the Branch auditors. Corporate office of the PSU will continuously supervise and scrutinize, and provide inputs, as and when required, in respect of the replies of the Potential Draft Paras. The emphasis should be on providing the replies on time and to the satisfaction of the Branch Audit Officers; so that most paras get settled at the level of Branch Audit only and do not reach the stage of DAP.

F.2. Draft Audit Paras

F.2.1. Receipt of Draft Audit Paras in the Directorate from the Principal Directors of Audit (P&T/ Commercial)

The Draft Audit Para proposed by the Principal Director of Audit (P&T and Commercial) are received addressed to the Chairman Telecom Commission (by name) with copies to Member (Finance) and Director (Audit Coordination). The audit paras may relate to paras already proposed by the Branch Audit Offices to Head of Unit or PSUs like BSNL, MTNL, ITI, etc. and be in the same form or in modified form in the light of the explanation offered by the Head of Unit or PSUs or be new paras proposed by the Principal Director of Audit himself.

Immediately, on receipt of the Draft Audit Para the Audit Coordination Branch will open a file for the same and furnish a copy of the DAP together with its key statements and other enclosures, etc. to Nodal Officer concerned of the DOT for initiating necessary action and proposing a suitable reply to the Principal Director of Audit. Nodal officer concern will send the copy of DAPs and key statements to the concerned Head of Unit or PSUs as the case may be to obtain reply from them within the stipulated period. At present the time limit for submission of reply to DAP is 6 weeks from the dispatch of para by Principal Director of Audit (P&T and Commercial). If the DAP relates to a case already proposed by the Branch Audit Office, a reference to the same will be drawn by the nodal officer to the Head of Unit or PSU, while furnishing the copy of the Draft Audit Para.

Action at the Nodal Section

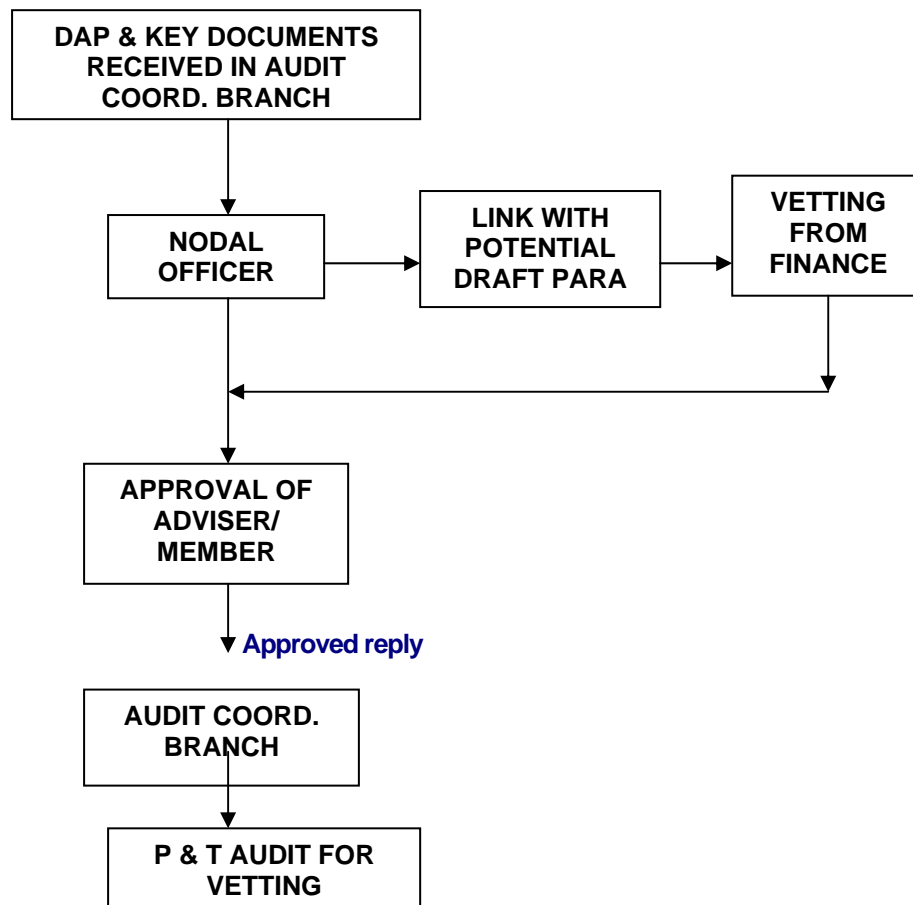
On receipt of replies of DAPs from Head of Unit or PSUs by the nodal officer concerned, it should be carefully and critically examined as to the contents of all DAPs and nodal officer should satisfy himself about the accuracy of the facts mentioned therein, the appropriateness of action taken by the Head of Unit or PSUs etc. and the progress of disciplinary action if any. He will also examine the propriety of including the para in the Audit Report. The Nodal officer after careful examination and obtaining the approval of Adviser/ Member concerned, should submit the replies of DAPs to the Audit Coordination Branch for forwarding to the Audit for vetting. The charts showing flow of work for P&T paras and for commercial paras are shown below.

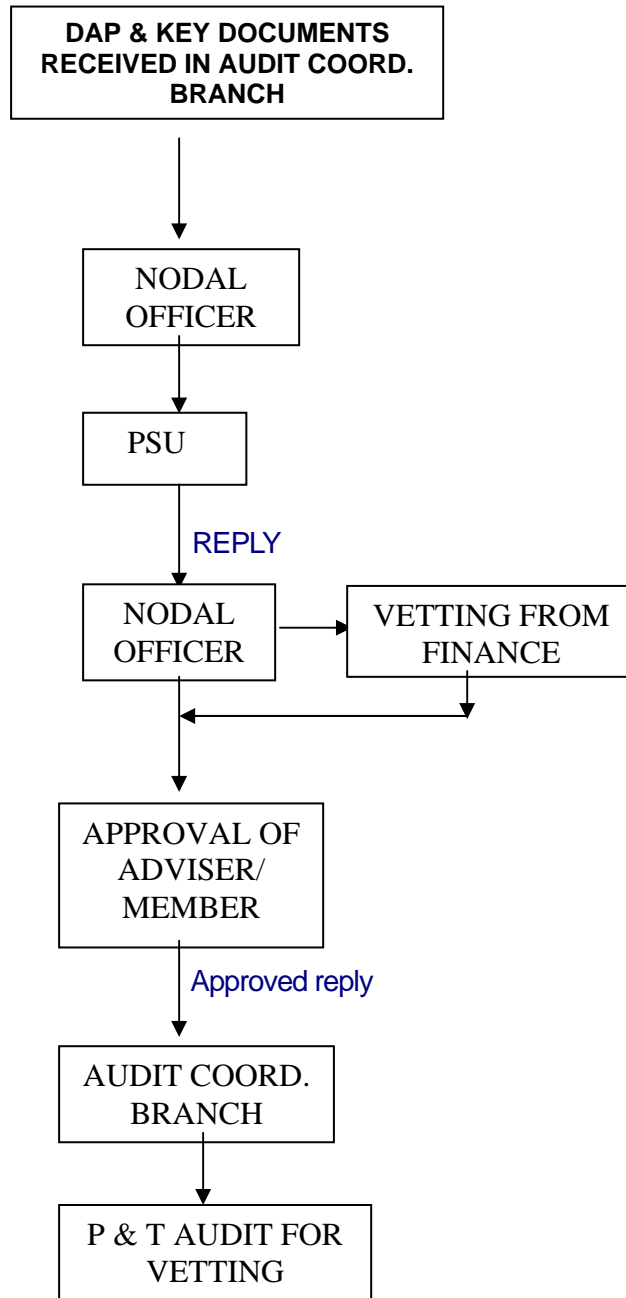
The Draft Audit Para should be disposed of as expeditiously as possible and the comments of Telecom Commission intimated to the Principal Director of Audit within a period not exceeding six weeks from the date of receipt of the DAP. The Principal Director of Audit, is likely to include the DAP in the C&AG's report, if the reply does not reach him within the prescribed period. Since failure to

give prompt replies to DAP will not only result in their inclusion in the C&AG's report, but also invite further adverse comments from Audit/ Public Accounts Committee, it is necessary that the DAP should be attended to with utmost promptness.

The Section file with the draft reply duly approved by the Nodal Officer will be sent to the Finance Advice section for their concurrence/ comments if any. On receipt of the file back from F.A, the vetted reply will be submitted to the Adviser/ Member concerned for final approval. The file with a neatly typed and authenticated copy of the Draft Reply will be sent to the Director (AC) as expeditiously as possible and in any case within four weeks of the receipt of the para by the Nodal Officer.

P&T DRAFT AUDIT PARA (DAP)



COMMERCIAL DRAFT AUDIT PARA (DAP)[BACK TO CONTENTS](#)

F.2.2. Action in Audit Coordination Branch

The Audit Coordination Branch will examine the draft reply to ensure that:

- (a) It is properly addressed;
- (b) Reference cited is correct &
- (c) There is no apparent mistake in the draft reply.
- (d) Approval of concerned Adviser/ Member has been obtained.

Any omission detected is to be rectified in consultation with the nodal officer concerned, and if necessary, further approval of the Adviser/ Member is to be taken for an additions/ deletions. The AC Branch is only a coordinating section and not the dealing section for the audit para received either from the Principal Director of Audit or Head of Unit or PSUs or Branch Audit Offices. It is the responsibility of the Branch and Nodal officer concerned to initiate all actions required in the matter.

On receipt of the file from the Nodal officers concerned the reply (six neatly typed copies signed by competent authority) in the AC branch; the replies will be issued to the Principal Director of Audit under the signature of the Director (AC), wherein a mention will be made that it has the approval of the Adviser/ Member concerned of the Telecom Commission. The Director (AC) signs the reply approved by the Adviser/ Member concerned, only as the Coordinating Officer on the clear understanding that he/ she is not responsible for the contents of the reply.

The file is thereafter returned to the Nodal Officer with a copy of reply issued to the Principal Director of Audit for further action wherever necessary. The Audit Coordination branch will maintain a control register to watch the receipt and disposal of all the DAPs and reminder wherever necessary are to be issued to the Nodal officers concerned. These officers are also to be personally contacted for timely preparation of replies to the Principal Director of Audit wherever required. Cases of delay are to be brought to the notice of the Member (Finance), the concerned Advisers/ Members and, where necessary, also to the Chairman, Telecom Commission.

DAP – Register (Control Register)

Sl. No.	DAP file no.	Subject	Audit ref.	Date of receipt	Nodal officer	Date of dispatch (to nodal officer)	Circle	Date on which sent to audit	Remarks

F.2.3. Review of Draft Audit Paras

If required, Draft Audit Paras will be discussed by the DDG (in-charge of Audit Coordination branch) and Nodal Officer of DOT concerned personally with the Principal Director of Audit at convenient intervals for an objective examination of the cases with a view to eliminate from the Audit Report, those paras which could be reasonably explained.

For this purpose, after the facts and figures contained in the Audit Para have been verified and reply to the para has been issued to the Principal Director of Audit. Meetings will be arranged with the Principal Director of Audit at periodical intervals as may be convenient to the nodal officer concerned and Principal Director of Audit. Necessary briefs for the meeting should be prepared by the Nodal officer concerned sufficiently in advance of the meeting and supplied to the Audit Coordination branch in order to enable the latter to coordinate and prepare sets of briefs for use by the Nodal Officer concerned. The result of the discussions with the Principal Director of Audit will be furnished to Audit Coordination Branch for keeping records complete.

New Facts coming to the knowledge of the Telecom Directorate after an Audit Para has been

finalized and included in the Audit Report should also be reported to the Principal Director of Audit, explaining the case in detail. All such references should also be routed through the Audit Coordination Branch, as usual.

F.3. Comptroller and Auditor General's Report

F.3.1. Receipt of the Report in Directorate and Distribution of Extracts

Draft Audit paras which are not dropped on the basis of Department's comments, are included in the Report of the Comptroller and Auditor General of India. Copies of Audit regarding P&T Paras are sent by the Principal Director of Audit (P&T) to the Telecom Directorate immediately after it is presented to the Parliament, but the report of Commercial paras (Transaction Audit Observation, i.e. Regularity Audit or Performance Audit, etc.) are sent by the C&AG to the Telecom Directorate for its presentation to the Parliament.

The Audit Coordination Branch processes the case and obtains the Authentication Certificate from the State Minister of Communications & IT on three copies each of English and Hindi for submission in Lok Sabha, Rajya Sabha and Parliamentary Affairs Secretariat, to be laid on the Tables of Parliament. Extracts of Paras appearing in the C&AG's Report will be sent to the concerned Nodal officer of DoT for the Preparation of Action Taken Notes (ATNs) (format in *Annexure-II* at the end of this chapter) which are required to be submitted, duly vetted by Audit, to the Public Accounts Committee through the Monitoring Cell of Ministry of Finance, by the date fixed by the Public Accounts Committee.

The Audit Coordination Branch will simultaneously note particulars of each Para in the control register, maintained by it to watch the progress of submission of ATNs.

Control Register – Report-Wise

Sl. No.	Report no./year	Para No.	Brief Description	Nodal officer	File No. of respective Section	Recd. from section	Sent to Audit	Recd. from Audit	Sent to Nodal Officer	Sent to LS Sectt/ Mon. cell	Remarks

F.3.2. Action in the Nodal Section

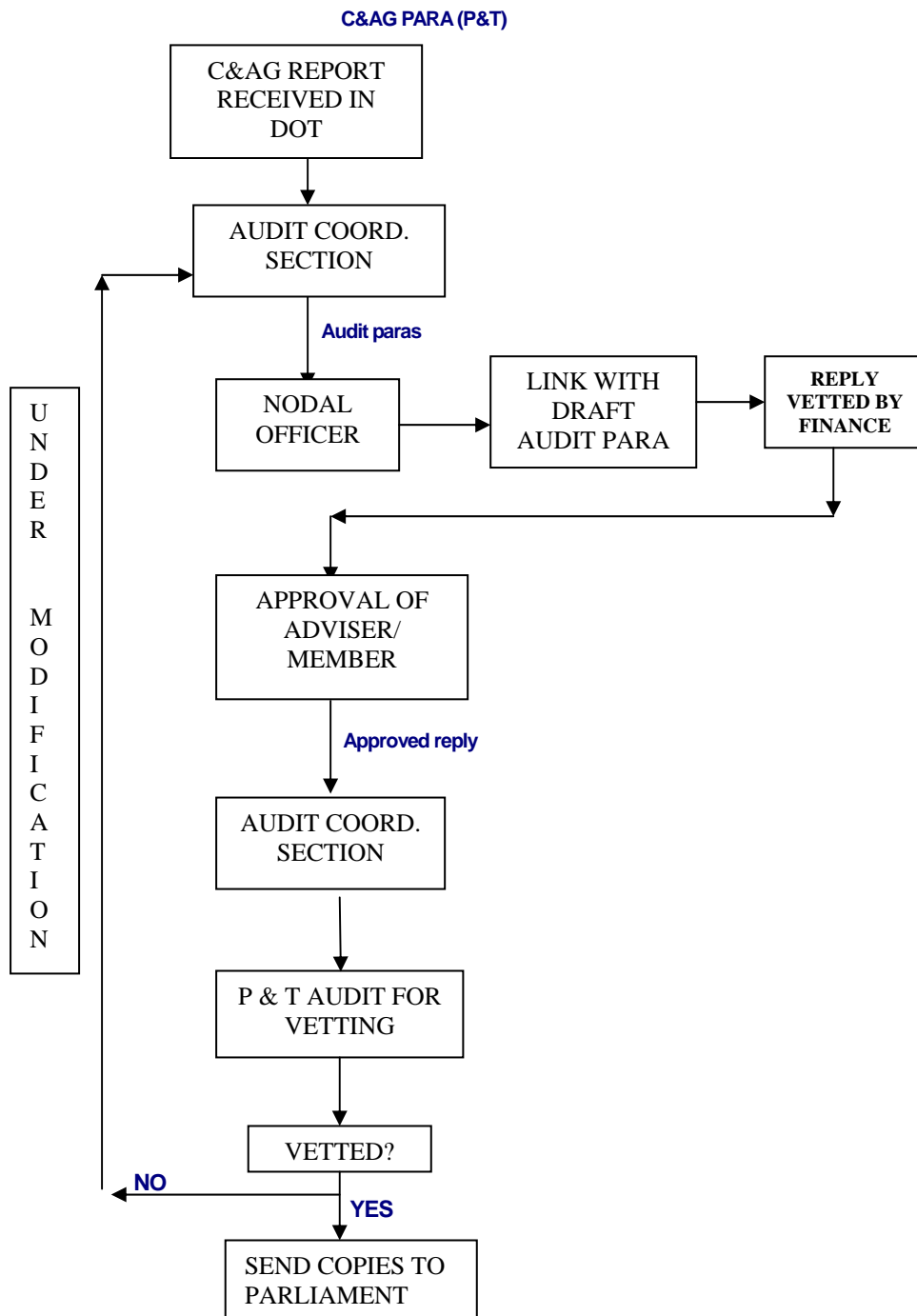
On receiving the extracts of C&AG's report paragraphs from AC Branch, the nodal branch will deal with it in the same file from which a reply to the DAP was sent to the Principal Director of Audit, (P&T or Commercial). Commercial paras will be sent by the nodal officer to respective PSUs for careful examination on the current status of the case and framing the ATNs. P&T Paras should be carefully examined by the nodal officer with reference to the DAP proposed and our comments thereon. Any further information that may be required from the Head of Unit on the current status of the case for framing the ATNs should be asked for in the form of a specific questionnaire, which should be exhaustive so as to eliminate repeated references to field units. The ATN should inter-alia, indicate:

- a) Present status of the case &
- b) Action taken to rectify the irregularities and
- c) Remedial/ corrective action taken to prevent recurrence of such irregularities.

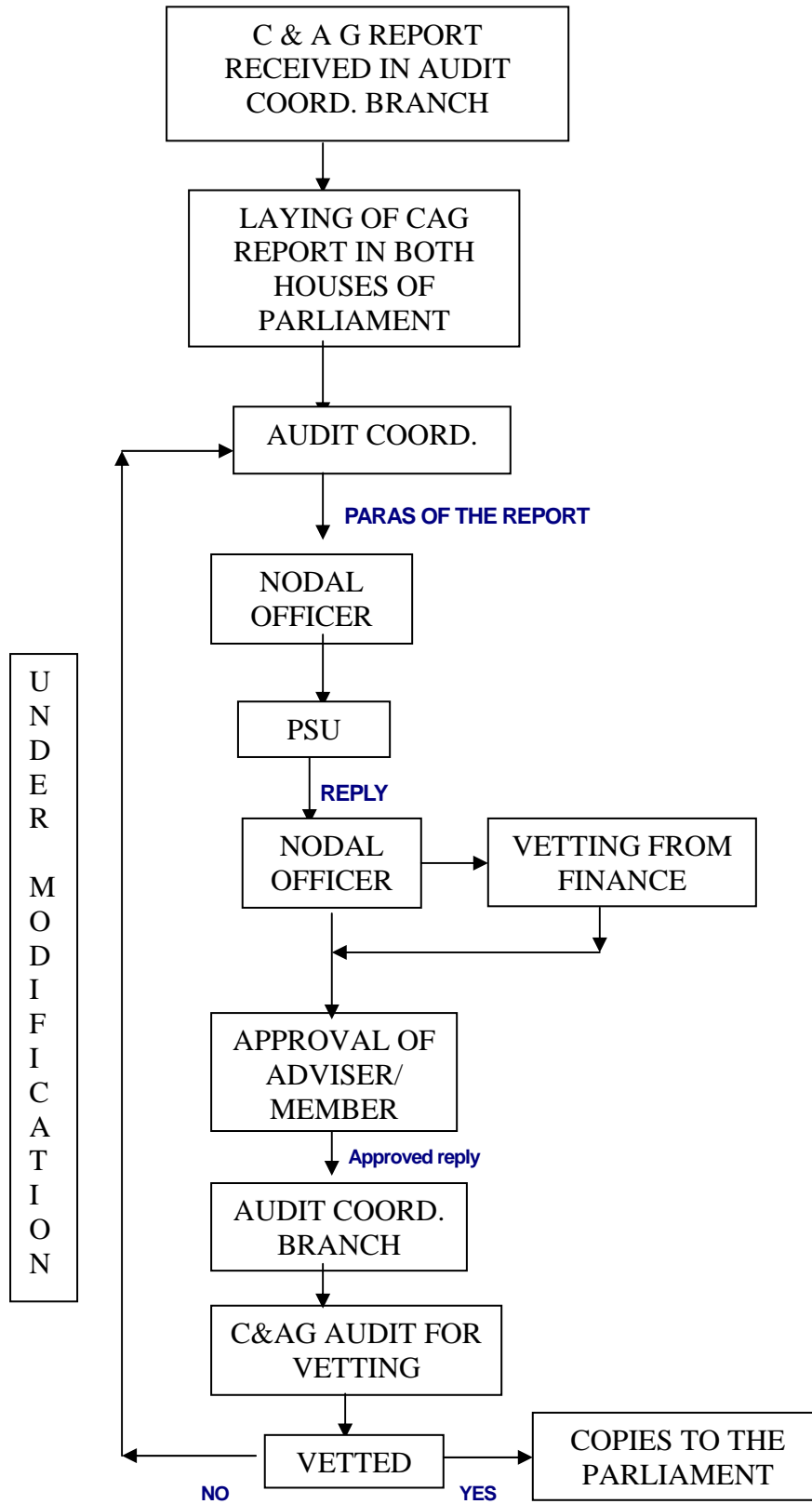
The case with the Draft ATN will be submitted to the nodal officer concerned for approval. The nodal officer will personally examine the contents of the P&T or Commercial Para (from C&AG's Report) and satisfy himself about the accuracy of the facts mentioned therein, appropriateness of the action taken, and the progress of disciplinary action, if any. It is to be ensured that the facts communicated in the Draft ATNs are in no way contradictory to our earlier comments to Audit on the DAP.

After the file is cleared by the nodal officer, the case will be sent to the Internal Finance Cell for vetting of the Draft ATN in respect of all types of paras (P&T or Commercial). After Finance vetting, the case will be finally put up to the Adviser or Member concerned (as the case may be) for his/ her approval. Adviser/ Member may put up the case to the Chairman Telecom Commission for his information, if considered necessary. (Charts showing workflow for P&T and commercial paras are given below).

After the approval of the ATN by the Adviser or Member concerned on the file, the file with a neatly typed and authenticated six copies of the Draft Action Taken Note will be sent to the Audit Coordination Branch for onward transmission to the Audit for vetting. Sometimes, it happens that before final vetting, the Audit desires to have some more details on the case. In that event, AC Branch will return the file to the Nodal Officer concerned for furnishing the requisite details which should be complied with and file returned to the AC Branch immediately.



C&AG Paragraphs (Commercial)



F.3.3. Action in the Audit Coordination Branch:

On receipt of the file with the approved Draft ATN, the AC Branch will send them along with the file to the Principal Director of Audit (P&T) Delhi for vetting the ATNs but ATNs of Commercial Paras will be sent to the C&AG without file. The Draft ATN will be signed by the ADG (AC) as the Coordinating Officer wherein a mentioned is to be made that it has the approval of Adviser/ Member concerned, on the clear understanding that he is not responsible for the contents.

On receipt of the ATN back from the Audit after vetting, the AC branch will endorse the “vetting note” on the ATN and will send it to the nodal officer concerned for early submission of requisite number of copies in English as well as Hindi version to forward them to the Monitoring Cell of the Ministry of Finance, PAC Cell of the Lok Sabha Secretariat and the Principal Director of Audit (P&T), in respect of P&T Paras and in case of Commercial paras requisite copies will be sent to Lok Sabha Secretariat PSU Branch and the C&AG of India.

After release of the ATN to the Monitoring Cell of the Ministry of Finance, etc. the file will be returned to the section concerned along with a copy of the ATN issued. The AC Branch will maintain a Control Register to watch the submission of the ATNs on each para.

Reminders are to be issued to the Nodal Officer concerned and they are also to be personally contacted for timely preparation of the ATNs. Cases of delay are to be brought to the Notice of Member (Finance), the concerned Advisers/ Member and also to the Chairman, Telecom Commission, where necessary.

F.4 Reports of the PAC and COPU

F.4.1. Selection of Paragraphs for Detailed Examination

(PAC selects P&T Paras while COPU selects Commercial Paras)

A few paras of the report of the C&AG of India are selected every year by PAC/ COPU for detailed examination. These paras are discussed in detail by the PAC/ COPU with the Chairman and Members/ Advisers of the Telecom Commission who appear before the former to tender oral evidence.

Before the actual sitting of the PAC/ COPU, the Lok Sabha Secretariat generally asks for additional information (in the form of *List of Points*) on the paras selected for detailed discussion.

The representatives of the Telecom Department should have in their possession all the facts relating to the selected cases when they appear before the PAC/ COPU, and for this purpose, the briefs are made as elaborate as possible to answer any possible queries of the members of the PAC. The briefs prepared by the Nodal Officers are shown to the Adviser/ Member concerned and also to the Chairman in file.

For the departmental officers's use, the concerned Nodal Officers will prepare a brochure containing the following record:

- i. Copy of the Draft Para issued by the Principal Director of Audit (P&T), for P&T paras or Commercial paras, as the case may be.
- ii. Department's reply to the draft audit para and any information furnished to the Principal Director of Audit P&T, or C&AG subsequently;
- iii. Para as printed in the Report of C&AG of India;
- iv. ATN furnished, if any;

- v. List of points (LOP) received from the Lok Sabha Secretariat and Department's replies thereto;
- vi. Detailed brief on the case;
- vii. Any other information.

Requisite number of copies of this brochure will be supplied by the Nodal Officers concerned to the Audit Coordination (AC) branch for supply to the officers representing the Department in the PAC/ COPU meeting.

The Chairman and the Advisers/ Members of the Telecom Commission will review the selected paras of the Audit Report before the actual sittings of the PAC/ COPU. Further details required by the Adviser/ Member and the Chairman for defending the cases properly, are to be supplied expeditiously by the Nodal Officers concerned.

F.4.2. Additional Information Required by PAC/ COPU

Before the meeting of the PAC/ COPU is held to discuss the Audit Report, the Committee generally asks within a short notice for additional information *on the paras selected for detailed examination*. The 'Notes' containing the additional information are required to be furnished to the PAC by date specified by them.

Extracts from the List of Points received from Lok Sabha Secretariat are supplied to the Nodal Officers by the AC Branch for preparing draft replies and getting these approved by the Adviser/Member concerned, after vetting by the Internal Finance Advice Cell of the DoT. The file with 6 copies of the draft replies will then be sent to the AC Branch who will get it vetted by the Principal Director of Audit, P&T Delhi or C&AG. Thereafter requisite number of copies both in English and Hindi are sent to Lok Sabha Secretariat under the signature of the concerned Adviser/ Member.

Due to paucity of time sometimes the PAC/ COPU asks for *advance copies* of Notes pending vetting by the Principal Director of Audit, P&T or C&AG. In such cases, advance copies of replies to the list of points duly approved by Adviser/ Member concerned should be sent to the Lok Sabha Secretariat by the due dates. The notes will, however, be got vetted by the Principal Director of Audit, P&T or C&AG, subsequently and requisite number of copies of vetted Notes sent to Lok Sabha Secretariat before the sitting of the PAC.

F.4.3. List of Points arising out of Discussions in PAC Meetings

Information on points raised by the PAC members which cannot be supplied readily during the course of the meeting, are required to be furnished to the PAC, duly vetted by the Principal Director of Audit, P&T & C&AG as expeditiously as possible. A list of such points (LOP) is sent by the Lok Sabha Secretariat (PAC Branch) to the Director (AC). Extracts from the list are sent to the Nodal Officers, for preparing the draft replies.

The replies to the LOP should have concurrence from the Finance Advice Cell; and then approved by the concerned Adviser/ Member. The file along with the approved draft replies is sent to the Principal Director of Audit (P&T) for vetting. After vetting, the reply (required no. of copies) is issued to the PAC/ COPU under the signature of the concerned Adviser/ Member. The AC Branch maintains a register for watching the progress made in the submission of Notes to the PAC/ COPU.

Sometimes delay is anticipated in sending the final, vetted (by the Principal Director of Audit (P&T)/ C&AG) reply to the PAC/ COPU. In such cases the advance copies of the approved reply (signed by the concerned adviser/ member) are sent to the PAC/ COPU; and final, vetted reply (requisite

number of copies) is sent as and when, received from the Principal Director of Audit or C&AG. Copies of these notes have to be sent to the Lok Sabha Secretariat (PAC Branch) in Hindi also.

F.4.4. Recommendations of PAC

The PAC examines the Audit Report taking into account the Department's submission at the PAC meeting and makes its recommendations/ observations thereon which are contained in the Reports of the PAC. "Action Taken Notes" on such of the recommendations as are specifically called for are submitted to the Committee by the Department after getting them duly vetted by P&T Finance and the Principal Director of Audit (P&T)

These Action Taken Notes are considered by the PAC and its further recommendations/ observations are contained in its "Action Taken Reports". Further ATNs on such of the recommendations contained in these reports as are called for are also submitted to the Committee after getting them duly vetted by P&T Finance and the Principal Director of Audit, P&T or C&AG as the case may be, as usual.

The time limit for submission to the PAC of the ATNs are duly vetted by P&T Finance and the Principal Director of Audit (P&T) has been prescribed as six months for P&T Paras as well as for C&AG Paras, from the date of presentation of the PAC Report to the Lok Sabha.

Immediately after a PAC Report is received AC Branch will send extracts from it to the Nodal officer concerned for preparing the Draft Action Taken Notes. The ATN is to be processed by the Section which dealt with the Audit Para in the concerned file.

AC Branch will maintain a watch over the submission of ATNs to PAC through the Control Register in which will be recorded the various stages from the date of receipt of the report up to the date the final 'ATN' is submitted.

The PAC has adversely commented on several occasions upon the delay in the submission of ATNs. They have specified that, unless the wanting ATNs are furnished by a specified date, an officer of the rank of Joint Secretary would have to appear before them to explain the position in person.

It is therefore essential that the ATNs are disposed of with utmost promptitude. In order to streamline the procedure and to avoid delay at any stage, the following time schedule has been prescribed which should be strictly adhered to by all concerned:

Time Schedule

	Nature of Action	P&T Paras	C&AG (Commercial)
1.	Date of submission of Draft ATN to NODAL OFFICERS of DOT	2 months from the date of presentation of the Report in both the Table of Houses	4 months from the date of presentation of the Report in both the Table of Houses
2.	Date of Submission of Internal Finance Advice/ approval of Member concerned	2½ months from the date of presentation of the Report both the Table of Houses	4½ months from the date of presentation of the Report in both the Table of Houses
3.	Date of submission by AC Branch to the Pr. Directorate of Audit in cases of P&T Paras and C&AG Office in cases of Commercial Paras.	3 months from the date of presentation of the Report in both the Table of Houses	5 months from the date of presentation of the Report in both the Table of Houses
4.	Date of submission to PAC	4½ months from the date of presentation of the report the both Houses.	6 months from the date of presentation of the Report in both the Table of Houses

The above time schedule will be indicated by the AC Branch in the memo calling for draft ATNs. In

cases where the draft ATNs cannot be furnished to AC Section by the dates stipulated, the Nodal Officer concerned should explain the position in person to the concerned Adviser/ Member and the latter should then submit a note to the Chairman, Telecom Commission explaining the circumstances under which the due dates could not be observed and also indicate the date by which s/he expects the reply to be issued.

The Nodal officer will send the extracts of the PAC Recommendations received from AC Section in the relevant files, to Finance Advice for concurrence. After concurrence by the Finance Advice, the file with the Draft Action Taken Note will be submitted to Adviser/ Member. After approval by the Adviser/ Member, the file with 6 copies of the Draft ATN (duly signed by the concerned Adviser/ Member) will be sent to AC Section. The time schedule prescribed above will be strictly adhered to.

On receipt of the file with the draft ATN in the AC Branch, it will be sent to the Principal Director of Audit, P&T or C&AG for vetting, retaining one copy of the draft ATN.

After the file is received back from the Principal Director of Audit or C&AG, it will be examined whether the Principal Director of Audit or C&AG has vetted the draft reply. If vetted, the vetting note will be made in the ATN and the file will be sent back to the Section concerned. The latter will recheck the facts in the vetted ATN and make out the requisite number of copies of it, over the dated signatures of the Adviser/ Member concerned, and send them to the AC branch for submitting the same to the PAC and others concerned.

If the file is returned by the Principal Director of Auditor or C&AG with comments, it will be forwarded to the Nodal Officer concerned for doing the needful and revision of the reply where necessary.

The revised/ modified reply shall be approved by the Adviser/ Member concerned and also concurred in by the Finance before the same is sent to the Principal Director of Auditor or C&AG for final vetting. A copy of the ATN issued to PAC will also be endorsed to Hindi section for providing the Hindi version thereof. On receipt of the Hindi version requisite number of copies will be submitted to PAC/ others.

F.4.5. Implementing PAC Recommendations/ Assurances to PAC

At the time of submission of the draft ATN, the Nodal Officer concerned will indicate clearly in the notes portion of the file, the assurances that are being given to the Committee and what further follow-up action is to be taken by the Section concerned. This will be approved by the Adviser/ Member concerned along with the draft ATN.

Sometimes the Audit also, while vetting the ATN desires some follow-up action to be reported to the Audit and the PAC. This is indicated in the vetting note on the ATN as an Assurance.

A note of the assurances given to the PAC will be entered by the AC Section in a Register in the Form given below for monitoring the fulfillment of such assurances in due course.

Register Showing Progress of Implementation of Recommendations of Pac

Sl. No	Particulars of PAC Report			Particulars of Action Taken Notes			Initials of Accounts Officer	Final action for completed and closed items		Initials of AO	Remarks
	Report No.	Para No	Item No.	No.	Date	Recommendation of the Committee, and the Assurances given		Nature of action taken	Ref		
1	2	3	4	5	6	7	8	9	10	11	12

The progress of action taken on the implementation of the recommendations of the Committee will be examined by the Nodal Officer concerned at the close of each month and a review report submitted to Adviser/ Member concerned for information. A statement showing the progress in Form given below will be sent to AC Section on the 11th of each month.

Monthly Report for the Month Ending _____ Showing Progress of Implementation of Recommendations of PAC										
Sl. No	Particulars of Report of PAC			Particulars of Action Taken Notes			Latest position where action is still in progress	Final Action for completed and closed items		Remarks
	Report No.	Para No	Item No.	No.	Date	Recommendation of the committee & the assurances given		Nature of action taken	Ref	
1	2	3	4	5	6	7	8	9	10	11

Notes: (1) The progress of the action taken on the above items upto the end of the month under review has been examined by the Adviser or Member.
(2) Entries made in the cols. 9 & 10 have the approval of Adviser/ Member

Nodal Officer

These statements should contain a certificate to the effect that the progress of action taken has been sent by the Adviser/ Member concerned.

No item in the Register should be closed unless all action is complete and orders of Adviser/ Member concerned to treat the item as closed have been taken.

Cases where final action on the recommendation of the PAC has not been completed within 4 months will be brought to the notice of the Chairman, Telecom Commission.

On receipt of the statement referred to above (Monthly Report), the AC section should take the following action:

- (i) It should be examined that all pending items shown in the Register (Annexure-I) have been indicated in the Progress Report (Annexure-II) received from the section.
- (ii) In cases of non-receipt of statement, the matter should be brought to the notice of the Nodal Officer;
- (iii) The Progress Report will put up to the Director (AC). Cases where final action on the recommendations of the PAC has not been completed within 6 months from the date of submission of Action Taken Notes as indicated in Col. 6 of the Register (Annexure-I) will be brought to the notice of Member (Finance). The orders passed by the Member (F) should be communicated to the Nodal Officer concerned by AC Branch for necessary action.

Final Action Taken on the Assurances to the PAC will be communicated to the Lok Sabha Secretariat (PAC Branch) and the Principal Director of Auditor or C&AG and a note made in Control register maintained by the AC section.

An illustrative copy of a recent communication from the Ministry of Finance on the subject of furnishing of Action Taken Notes (ATNs) on various Reports of C&AG for the year ended March 2006

may be seen at Annexure-III at the end of this chapter.

F.4.6. Reports of PAC and Audit Reports

F.4.6.1. Cases Where a Reference Has Been Made to CBI

The Draft Audit Paras which have a reference to the Central Bureau of Investigation (CBI), should be shown to the CBI by the Nodal Officer concerned before draft reply is approved by Adviser/ Member concerned and comments are communicated to the Principal Director of Auditor or C&AG.

Similarly, notes sent to PAC in respect of cases having a reference to an investigation by the CBI should be shown to the CBI by the Nodal officer concerned before the Notes are submitted to the Adviser/ Member concerned and sent to the Principal Director of Auditor or C&AG for vetting.

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*Too many people overvalue what they are not
and undervalue what they are*

-- Malcom Forbes

Annexure-I

Internal Check Questionnaire

(In Respect of the Offices of CCA/ Jt. CCA)

Universal Service Obligation (USO)

1. Is a list of Service Providers with whom Agreements have been signed together with the activities for which support from Universal Service Obligation Fund (USOF) is to be given, maintained for the Service Area/s under the jurisdiction of the CCA/ Jt. CCA?
2. Are copies of all Agreements signed with the concerned Service Providers available for easy reference?
3. Are copies of all the Amendments/ modifications to the Agreements, instructions and clarifications issued by USO Hqs readily available for the purpose of claim settlement?
4. With reference to the claims relating to Operation and Maintenance of VPTs and Replacement of MARR VPTs, was the closing balance of VPTs taken from the USO HQs tallied with the Opening Balance of the claims received for the quarter after the work was transferred to the CCAs/ Jt CCA?
5. Have the discrepancies noticed been taken up with the Universal Service Providers (USPs) and settled under intimation to USO Hqs.?
6. Is the Claim Submission Register maintained and updated in the prescribed format?
7. In the event of (a) non-receipt of claims within the prescribed period, is reminder being sent to the USPs under intimation to USO Hqs and (b) non-receipt of claims after 45 days, is intimation of the same being sent to USO Hqs.?
8. Is the Check-list for acceptance of claims prescribed being followed while accepting the claims?
9. Verification of Claims:
 - (i) Are the hard copies and soft copies of the claims being tallied?
 - (ii) Are the representative rates at which subsidy is payable correctly indicated in the claims?
 - (iii) Do the names of the SSAs as per claims match with the names of the SSAs in the Agreement?
 - (iv) Does the opening balance of a quarter tally with the closing balance of the previous quarter?
 - (v) Does the total no. of connections in the claim statement tally with the Consolidation Sheet under each category?
 - (vi) Are deductions for period of fault/ non-functioning, as per conditions of the Agreements, being made from the amount payable?
 - (vii) Have discrepancies relating to duplication of VPT Nos. and village names with a USP's claim and among USPs been identified and rectified, and deductions made, wherever applicable?
 - (viii) Are the VPT Nos and village names with regard to Agreements for Operation and Maintenance of VPTs and Replacement of MARR VPTs and Village Names in the case of Rural Community Phones and VPTs in Uncovered Villages furnished in the claims, tallying with the list as per the Agreements?
 - (ix) Have cases of duplicate claims i.e. claims for the same telephone number appearing both under Operation and Maintenance of VPTs and Replacement of MARR VPTs for the same period, been detected and deductions made?

Complete checking of claim of a minimum of one SSA picked at random for each activity. (Different SSA to be selected for each activity) covered under USO to be done by the IC team.

10. Is intimation of Receipt of Claims and Requisition for Funds being sent to USO Headquarters in the prescribed format?
11. Are adjustments for excess/ short payments pertaining to previous quarter being made before release of payment in a quarter?
13. Is penal interest as per the conditions of the Agreement being recovered from the USPs, wherever applicable? Are disbursements being booked under the specified Head of Account?
14. Are the entries being incorporated in the Circle Abstract of the month as well as in the Subsidy Booking Register in the prescribed format?
15. Is the Subsidy Disbursement Register in the prescribed format being maintained and are all the entries made?
16. Have all the claims received been settled within one month of receipt and acceptance of the claims?
17. Has 100 % verification from billing records for Operation and Maintenance of VPTs, and Replacement of MARR VPTs as a one time exercise, as per instructions of USO HQs for FY 2004-05, been conducted and discrepancies rectified?
18. Has monitoring of 5% of numbers in each of the SSAs in the Service Area for the financial year been completed based on the parameters specified by USO Headquarters?
19. Has random dialing of numbers and physical inspection of the facilities been carried out? If so, in how many cases?
20. Has the report on monitoring been sent to USO Headquarters?
21. Have deductions for wrong claims detected during verification/ monitoring been made?

License Fee Collection

1. Is a service-wise list of Licensees in the Service Area maintained?
2. Are copies of License Agreements and amendments issued subsequently relating to the Licensees in the Service Area available?
3. Are the payments received with complete documents viz., AGR Statement, Affidavit, etc. as prescribed in the License Agreement?
4. Are the payments accepted only through Bank Drafts/ Bankers' Cheques?
5. Are the DDs/ Bankers' Cheques remitted to the Bank without delay?
6. Is monthly bank reconciliation being carried out to ensure that all the payments remitted to the banks are duly accounted for?
7. Is the reconciliation of service-wise payments received, carried out with the figures appearing in the Cash Account Current?
8. Are the collections received on a day-to-day basis and the monthly report in the prescribed format being sent to LF Branch, DOT?
9. Is the Collection Register being maintained and are collections recorded on a day-to-day basis?
10. Is the service-wise/ licensee-wise Revenue Share Register being maintained in the prescribed format and are entries being made based on affidavit filed by the Licensee and payments received thereafter?
11. Are 5% of collections received as Adjusted Gross Revenue (AGR) being classified under USO under the specified Head of Account?
12. Are the Financial Bank Guaranteed (FBGs) kept in safe custody under lock and key?
13. Are the details of FBGs and their amendments recorded in the Bank Guarantee Register in the format prescribed?
14. Are the FBGs being renewed timely? Were there any cases of lapse in the financial year?
15. Is quarterly review of FBGs being carried out to decide on the appropriate quantum?
16. Is additional Bank Guarantee, in cases where there is a 25% jump in quarterly License Fee, being taken?
17. Is encashment of FBG being resorted to under intimation to the LF Branch, DOT in case of (a) FBGs not renewed in time and (b) failure by the Licensee to submit the FBG for the appropriate amount?
18. Is a monthly review of renewal of Bank Guarantees being carried out, not below the level of Dy. CCA, to avoid lapse of the FBGs?

Spectrum Charges

1. Is a list of service providers for each service from whom spectrum charges are to be collected maintained?
2. Are copies of all the License agreements with the concerned service providers available?
3. Is the information relating to assignment of additional spectrum to service providers being updated from time to time and the records properly maintained?
4. Is the service-wise (CDMA, GSM etc.) Collection Register in the prescribed format being maintained and are entries made on a day-to-day basis as and when payments are received?
5. Is the License Record Card being maintained separately for each licensee and are entries promptly made in the prescribed format?
6. Are the details of payments received, service-wise and service providers-wise, being sent to WPF HQ in the format prescribed (a) on receipt of payment and (b) by 17th of the beginning of each quarter?
7. Are payments being received through DD/ pay orders only and remitted to Bank by following day and is bank reconciliation being done for the same?
8. Are the amounts received being booked under the specified Head of Account?
9. Are the monthly amounts collected being reconciled with the booked figure under the relevant head in the Cash Account Current being?
10. Are the payments received commensurate with the charges payable by each licensee as
11. (a) prescribed percentage of AGR based on self-assessed AGR of the current quarter and actual AGR of previous quarter and
(b) fixed charges, as the case may be?

Accommodation

1. Is the office is housed in departmental building or in a rented building?
2. If it is in a rented building:
 - (i) Is the rented accommodation sufficient?
 - (ii) Is the lease deed available?
 - (iii) Are yearly sanctions issued for drawal of rent?
 - (iv) Is the rent paid reasonable and fixed on the basis of Fair Rent Assessment Committee (FRAC) report?
 - (v) Are maintenance or other works are being taken up by the owner of the building as per the agreement?
3. If it is in departmental building, are other offices of DoT/ BSNL housed in the same building?
4. Is the building in the centre of the town or in a remote area of the town?

Meetings with Postal/ Telecom Authorities

Are meetings as prescribed, are being conducted with Postal/ Telecom authorities? If so, minutes of the meetings and the compliance reports, if any, by Postal/ Telecom authorities may be provided.

Use of Vehicles

1. Is departmental vehicle provided or is a rented vehicle is being used (or both)?
2. Are log books of the vehicles being properly maintained?

Accounts

1. Are the monthly accounts being submitted to Directorate on the 10th of every month following the month of account along with necessary statements?
2. Is the reconciliation statement of R.B.I. being submitted to the Directorate?
3. Is statement of retirement benefits are up-to-date?
4. Are all the broadsheets relating to Bharat Sanchar Nigam Limited employees and MTNL employees and others being maintained?
5. Are the broadsheets relating to GPF & loans/ advances for CCA office (DoT Cell) employees being maintained?
6. Is Bank reconciliation being done and interest being levied on banks for delayed credits, if any?
7. Is post-check of pension paid vouchers being done and is the work up-to-date?
8. Is check of cash register/ chest, balances and security etc. being done?
9. Submission of monthly accounts to Directorate along with necessary statements: Is it being done by the due date?
10. Is State of Work Report being submitted to Directorate by the due date?

Inspection by Head of CCA Offices on SSAs under control

1. Are the inspections being carried out by the Head of CCA Office on SSAs under control, as prescribed, and are the observations made, if any, being complied with?

Staff and Establishment

1. What is the justified strength?
2. What is the sanctioned strength?
3. What is the working strength?
4. Is there any shortage of staff?
5. Are due returns on establishment being sent regularly to DoT?
6. Are there any pending Disciplinary/ Vigilance cases, and what is their present status?
7. Have Presidential Orders (POs) been delivered to the concerned? If not, has the fact been conveyed to DoT with a copy to the officer concerned?
8. What is temporary/ permanent sanction of posts and is the register being maintained?
9. How many DPC meetings were held last financial year? Please provide their details and the status.
10. Are the Service Books of all officers/officials being maintained properly?
11. Are the Confidential Reports being maintained properly?
12. Are the property returns being submitted by all the Gazetted officers every year? If not, what action is being taken to make such officers submit their returns on time?
13. Any other related issues.

Inspections of CCA Offices by IC/ Audit Parties

1. Have any Audit/ IC inspections been carried out on the CCA offices? Please provide the reports and compliance to them.

Computerisation Process

1. Is the CCA office fully computerized? What is the present status in this regard?

Backlog of Work Issues

1. Settlement of GPF, Gratuity, Commutation, Leave Encashment and CGEGIS cases etc.
2. Provisional pension cases, if any.
3. Pension cases.
2. Whether service verification has got done in respect of officers going to be retired within 5 years.
3. Service verification position in respect of the officials who have completed 25 years of service.
4. Legal cases, if any and their status.
5. Whether leave salary/ pension contributions are being credited by SSAs and its proper accounting details.

6. Whether register for nomination for DCRG completed and acknowledgement of nomination from officials placed on record.
7. Whether GPF accounts upto March of the previous year have been cleared and slips issued to concerned officials.
8. Whether GPF nomination is periodically checked.
9. Whether advance registers and Cash Books are maintained properly.
10. Is State of Work report being sent to DoT HQ regularly?

Official Language Implementation

1. How many officers/officials have working knowledge of Hindi?
2. Are bilingual rubber stamps, sign boards, seal, letterheads, name plates etc. being used?

O&M and Record Management

1. Whether orders/ instructions are being consolidated.
2. Whether registers/ folders are being maintained properly.
3. Whether all records and record room of CCA offices are being maintained

Training

1. Details of Training programmes and number of officials undergone training during the year (Group-wise).

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***Ability is of little account without
opportunity.
— Napoleon***

Annexure-II

Format of Action Taken Note (ATN)

I.	(a)	Department/ Ministry
	(b)	Subject/ Title of the Review Paragraph
	(c)	Paragraph No.
	(d)	Report No. & Year
II.	(i)	Date of receipt of Draft Paragraph/ Review in the Ministry
	(ii)	Date of Department's reply
III.		Gist of Paragraph/ Review
IV.	(a)	Does the Department agree with the facts and figures included in the paragraph?
	(b)	If not, please indicate the areas of disagreement and also attach documents in support
V.	(a)	Main Audit conclusions
	1.	Deficiency in the existing system including system of Internal Control
	2.	Failure to follow the systems and procedure
	3.	Failure of individuals
	4.	Amount of loss/ short assessment/ short levy
	(b)	Does the Ministry agree with the Audit conclusion? If not, please indicate specific areas of disagreement, reasons for disagreement and also attach copies of relevant documents, where necessary.
VI.		Remedial Action Taken
	(a)	Improvement in system and procedure including internal control
	(b)	Recovery of overpayment pointed out by Audit
	(c)	Recovery of under assessment/ short levy or other dues
	(d)	Write-off of amount of losses/ wasteful Expenditure/ irrecoverable amount
	(e)	Modification in the scheme including financing pattern
	(f)	Review of similar cases/ complete scheme/ Project in the light of finding of sample check by Audit
This issues with the approval of		
		Signature _____
		Designation _____

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Annexure-III**DOT No. 27-4/2004 - AC(Pt) dated 06.08.2007**

Subject: Furnishing of Action Taken Notes on various Reports of C&AG and Submission of requisite number of copies in Hindi and English of vetted ATNs

Kindly find enclosed herewith photocopy of O.M.No.5/1/2007-MC dated 29th June 2007 issued by Monitoring Cell of Ministry of Finance regarding the subject cited above for urgent action at your end.

It is hereby, pointed out that paras cannot be treated as closed unless the requisite number of copies is sent to LSS / Monitoring Cell of MOF even after it is vetted by the Audit. Nearly 200 cases are lying pending with various Nodal officers for submission of copies of vetted ATNs.

It is, therefore, requested to submit copies of vetted ATNs (30 copies in English and 20 copies in Hindi version) immediately for onward transmission to LSS / Monitoring Cell of MOF.

This issues with the approval of DDG (Accounts).

Enclosure**Department of Expenditure No. 5/1/2007-MC dated 29.06.2007**

Subject: Furnishing of Action Taken Notes (ATNs) on various Reports of C&AG for the year ended March 2006

The undersigned is directed to inform that C&AG's Reports for the year ending 31.3.2006 have already been laid in the Parliament. Copies of the Reports have been sent to all Ministries by Audit. However, if these have not been received, copies thereof may be obtained from the Audit Office concerned.

It is necessary to initiate action immediately to obtain the necessary information/ material, wherever required, from concerned authorities like field offices, State Governments, Union Territories etc., on the various paras contained in these Reports. This will help in early finalisation of ATNs on such audit paras.

The Public Accounts Committee (vide para 16 of its Ninth Report Eleventh Lok Sabha) desired that ATNs (duly vetted by Audit) should be furnished within a period of four months from the date of the laying of the Audit Reports on the table of the House starting from the Reports of C&AG of India for the year ending 31.3.1996 onwards.

Ministries/ Departments are requested to take urgent steps to finalize all the pending ATNs even of earlier Reports and ensure that duly vetted ATNs sent to this office.

Lok Sabha Secretariat's latest instructions require the ATNs to be furnished with English and Hindi version simultaneously (30 copies in English and 20 copies in Hindi version) in the prescribed format. Accordingly, this requirement may please be followed meticulously while forwarding ATNs to this office. ATNs not accompanying Hindi version will not be accepted. Further, reference and date under which ATN was vetted by audit invariably mentioned immediately after the contents of ATNs conclude, apart from mentioning this fact in the letter forwarding ATN.

In the letter forwarding ATNs to Monitoring Cell and in all other communications to be sent to Lok Sabha Secretariat contact numbers/ fax numbers should be variably indicated.

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"Experience is not what happens to you; it's what you do with what happens to you."

- Aldous Huxley

CHAPTER 4

FINANCE AND ESTABLISHMENT BRANCH

A. Introduction

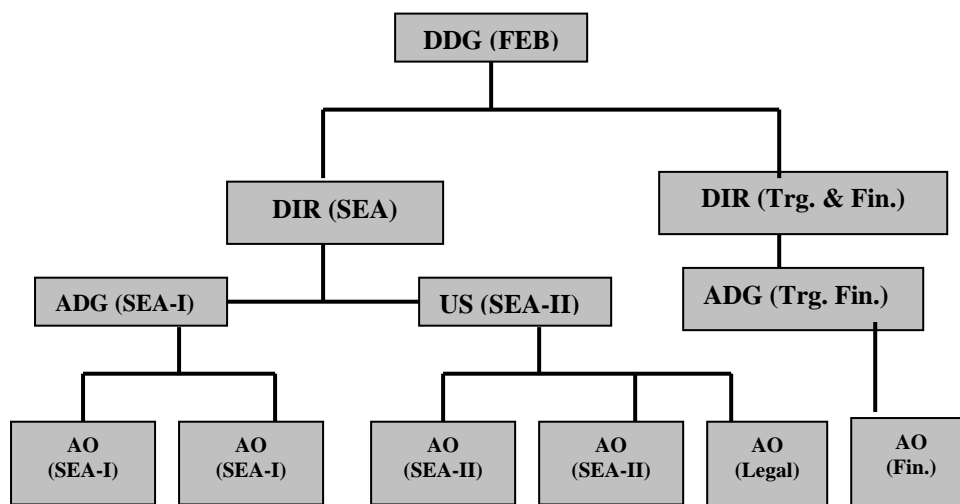
DDG (FEB) is the administrative head of this Branch. There are two directors under him: the Director (Training Finance) and Director (Staff & Establishment of Accounts Personnel). They are supported by other officers as shown in the chart below. The duties and functions of the Directors are described further below.

As per the operational guidelines for implementation of the National Training Policy framed by the government of India, "training would be imparted to all ranks of the Civil Services starting from the lowest and cutting edge to the highest in the policy making" (D.O.P.T. O.M. No.11014/ 17/ 93-Trg. dated 15.4.1996).

Continuous training at regular intervals is required for the upgradation of professional and personal skills of an officer, and therefore adequate emphasis is given on training. In DOT, the training needs of IP&TAFS Group 'A' officers are looked after by Director (Trg. Fin.), who is responsible for issuing various training circulars. His work also involves looking for new and appropriate training for the officers. In this, the Training Finance Section liaises with the Ministry of Finance and Department of Personnel & Training for both long-term and short-term training courses requiring their approval. He also handles financial advice cases.

Director (SEA) looks after the establishment matters concerning the IP&TAFS Group 'A' & 'B' officers.

B. Organizational Structure



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C. Items of Work

C1. Training and Finance Section (Trg. Fin.)

1. Staff standards.
2. Sanction of New Posts for DoT.
3. Confirmation of posts in DoT.
4. Retention of posts in DoT.
5. Revision of pay scales and grant of Special Pay etc.
6. Pay fixation and stepping up of pay etc.
7. Cases relating to various allowances like HRA, CCA & DA.
8. Finance matters relating to VTM/ CCA offices.
9. Delegation of financial powers.
10. Deputation/ Delegation abroad
11. Training in India and abroad.
12. Approval of Expenditure to Seminars/ Conferences etc. in India/ abroad.
13. Study courses in India.
14. Cases relating to Pension, Gratuity, GPF and its related policy matters.
15. Any residual matter involving financial advice.

C2. Staff & Establishment of Accounts Personnel Section (SEA)

1. Management of Establishment of IP&TAFS cadre Group 'A' and 'B' officers.
2. Management of Service matters of IP&TAFS Group 'A' and 'B' officers and Manpower Development.
3. Organization and holding of DPCs for Group 'A' and 'B' officers of IP&TAFS.
4. Transfer/ posting of all officers of IP&TAFS Group 'A' working in DoT HQrs., DoP and CCA offices and Group 'B' officers working in DoT HQrs. and CCA offices
5. Staff grievances, VIP cases and Parliament Questions in respect of officers stated in item 1 above.
6. Establishment matters relating to Group 'A' and 'B' posts of Indian P&T Accounts and Finance Service.
7. Appointment in the JTS of Indian P&T AFS Group 'A' allotted through Civil Services Examination.
8. Intimation of vacancy to the UPSC.
9. Promotions/ postings/ transfers/ resignation/ retirement of JTS/ STS/ JAG/ SAG and HAG officers of Indian P&TAFS Group 'A'.
10. Application of CCS (Conduct) Rules in respect of all above officers.
11. Deputation of officers of Indian P&TAFS Group 'A' and 'B' (within India).
12. Confirmation.
13. Commercial and private employment after retirement in respect of all Group 'A' officers of Indian P&T Accounts and Finance Service.
14. Cases for "Change of Date of Birth" in respect of Group 'A' and 'B' officers of Indian P&T Accounts and Finance Service.
15. Deputations including 'foreign service' of Group 'A' and 'B' officers of Indian P&TAFS.
16. Extension of service.
17. Safe custody of Diplomatic/ Official/ Ordinary Passport of Indian P&T Finance & Accounts Service Cadre.
18. Cases for "Change of Name" in respect of Group 'A' and 'B' officers of Indian P&T Accounts and Finance Service.
19. Rules of Recruitment and their amendments in respect of Group 'A' and 'B' officers of Indian P&T Accounts and Finance Service. Re-employment after retirement of Group 'A' officers.

20. Seniority lists of officers in the cadre of JAO/ AAO/ AO/ Sr. AO/ JTS/ STS/ JAG/ SAG and HAG of Indian P&TAFS.
21. Forwarding of applications for study of foreign language in respect of officers of Indian P&TAFS Group 'A' and 'B'.
22. Foreign assignments - forwarding of applications pertaining to Group 'A' and 'B' officers of Indian P&T Accounts and Finance Service.
23. Creation/ Retention/ Up-gradation/ Confirmation/ Abolition of posts in Indian P&TAFS Group 'A' and 'B'.
24. Lawsuits filed by Accounts personnel in respect of Group 'A' and 'B' officers of Indian P&TAFS.
25. Association matters relating to Group 'A' and 'B' officers of Indian P&T Accounts and Finance Service.
26. Extension of adhoc/ local officiating arrangements in all the grades of Group 'A' and 'B' officers of Indian P&TAFS.
27. Allotment of staff numbers to newly appointed/ promotee JTS officers.
28. Pay fixation of all officers of all cadres of Indian P&T Accounts and Finance Service working in DOT HQs., and Head of CCAs.
29. Service verification of all officers of Indian P&T Accounts and Finance Service working in DOT HQs including Head of CCA offices and transfer of service records in the event of transfer.
30. Establishment matters relating to Group 'C' and 'D' posts in CCA offices.
31. Promotion/ postings/ transfer/ resignation/ retirement of Sr. AO/ AO/ AAO of Indian P&T Accounts and Finance Service Group 'B'.
32. Settlement of personal claims viz., medical reimbursement, GPF Advance/ Final withdrawal.
33. N.O.C. cases of Group 'A' officers.
34. Verification of Annual Property Returns of IP&T Accounts and Finance Service Group 'A' & 'B' officers working in DOT HQs and Head of CCAs.
35. Calling of Group 'B' & 'C' and 'D' on deputation.
36. Attending to RTI cases pertaining to IP&T Accounts and Finance Service.

D. Channel of Submission and Final Disposal of Cases

D1. Finance Section

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Staff Standards for DOT (a) Staff standard approved in consultation with Staff Inspection Unit of M/o Finance on the basis of report of the internal work study resulting in saving in expenditure, (b) Other cases	ADG/ DIR ADG/ DIR	DDG M(F)
2	Sanction of new posts for DoT: (i) Grade A & B (ii) Grade C & D Permanency of posts of DoT (i) Grade A (above JAG) (ii) Grade A (JAG and below) (iii) Grade C & D	ADG/ DDG DIR/ DDG ADG/ DDG ADG/ DIR ADG	M(F) M(F) M(F) DDG Director
3	Retention of posts in DoT : (a) Posts upto JAG (b) Higher Posts	ADG DIR	DIR DDG
4	Deputation & Delegation abroad :		

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
	a) Foreign assignment under ITU, INMARSAT etc. involving no rupee expenditure or foreign exchange b) Foreign assignment involving special relations c) Deputation for training under Colombo Plan, UNDP and other approved training programme/ schemes which have been finalised in consultation with appropriate authority for example M/o Finance etc. involving local costs only d) Deputation of officers to neighboring countries viz., Nepal, Bhutan, Burma, Sri Lanka, Pakistan, Bangladesh.	DIR DIR/ DDG DIR DIR	DDG M(F) DDG DDG
5	Deputation on foreign service	ADG/ DIR	DDG
6	Revision of pay scale, grant of special pay etc.	ADG/ DIR/ DDG	M(F)
7	Fixation of pay and arrears claim	ADG	DIR
8	Honorarium to Staff: a) involving individual amounts not exceeding Rs.500/-and/or total amount not exceeding Rs.2500/- b) individual amount exceeding Rs.500/-and/or total amount exceeding Rs.2500/-in each case	ADG ADG/ DIR	DIR DDG
9	Cases relating to Welfare Fund within laid down policies	ADG	DIR
10	Cases relating to various allowances like CCA, HRA, TA etc. within laid down policies	ADG	DIR
11	Cases relating to pension and gratuity GPF within laid down policies	ADG	DIR
12	General Policy Matter relating to the above	ADG/ DIR/ DDG	M(F)
13	Delegation of financial powers for DOT	DIR/ DDG	M(F)
14	Audit paras in r/o above items	DIR	DDG
15	Permission to non entitled officers to travel by air under delegated Powers of Secretary	DIR/ DDG	M(F)
16	Training in India/ Abroad : a) training under Colombo Plan/ UNDP & other training programmes/ schemes finalised in consultation with appropriate authority e.g. M/o Finance b) Training of officers to neighboring countries, viz., Nepal, Bhutan, Burma, Sri Lanka, Pakistan, and Bangladesh c) Training/ seminars in India.	DIR DIR DIR	DDG DDG DDG
17	Cases relating to examining and sanctioning of PE/ /RPE/ EFC memo	DIR/ DDG	M(F)
18	Renting of accommodation in DoT and schedule/ scale of accommodation for renting	ADG/ DIR/ DDG	M(F)
19	Contingencies and Miscellaneous Expenditure : Furniture a) Upto Rs. 25,000/- b) Upto Rs. 50,000/- c) Beyond Rs. 50,000/-	ADG DIR DIR/ DDG	DIR DDG M(F)
20	Stationery a) Upto Rs. 100,000/- at a time b) All other cases	AO/ DDG ADG/ DIR	DIR DDG
21	Minister's matters: a) cases relating to purchases for Minister/MOS(C) b) cases serving of refreshment in the official meeting of Minister/ MOS(C)	ADG/ DIR ADG/ DIR	DDG DDG
22	Publications(DOT) including those published abroad : a) upto Rs. 5000/- b) upto Rs. 50000/- c) all other cases	AO ADG Director	ADG Director DDG
23	Printing (DoT)		

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
	i) upto Rs 5000/- ii) upto Rs 50000/- iii) all other cases	AO ADG Director	ADG Director DDG
24	Misc. expenditure including expenditure on refreshment / lunch in DoT	Director	DDG
25	Recurring/non recurring contingent expenditure other than specific items mentioned above in DoT: a) Upto Rs.50000/- b) All other cases	AO/ADG DIR	DIR DDG
26	Vetting of sanction Memos in respect of prior approval	Respective AOs	DIR

D2. SEA Section

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1.	Leave Cases of officers working in DOT: i) Upto Grade A STS ii) Upto JAG iii) SAG and above	Sr. AO ADG ADG/ DIR/ ADV(F)	DDG ADV(F) ADV(F)
2.	Increment cases (except EB held up cases) for officers working in DoT	AO	ADG
3.	All routine matters	AO	ADG/ U. Secy.
4	Posting and transfer in DoT inter PSU and between DoT & PSU and HAG officers: i) Upto officers of Group B ii) Upto officers of JAG iii) SAG and above	ADG US/ DIR DIR/ DDG/ ADV(F)	DIR DDG M(F)
5	Short term leave vacancies arrangements in DoT: i) Upto officers of Group B ii) Gr. A officers of upto JAG iii) SAG and above	ADG US/ DIR DIR/ DDG/ ADV(F)	DIR DDG M(F)
6	Review of property returns submitted by: i) Gr. B Officers ii) Gr. A Officers upto STS iii) Gr. A Officers upto JAG iv) SAG Officers	ADG ADG ADG DIR	ADG DIR DDG ADV(F)
7	i) Retention of posts upto JAG ii) SAG and above	US/ DIR DIR/ DDG	DDG ADV(F)
8	Creation of posts: i) Upto JAG (within norms) ii) Upto JAG (outside norms) SAG and above	US/ DIR/ DDG/ ADV(F) US/ DIR/ DDG/ ADV(F)/ M(F)	M(F) MoSC/ MOC
9	Recruitment rules	DIR/ DDG/ ADV(F)	M(F)
10	Forwarding applications for employment elsewhere. i) Upto Gr. B ii) JTS and upto JAG iii) SAG and above	ADG US/ DIR DIR/ ADV(F)	DIR DDG M(F)
11	No Objection Certificate for Passport/ going abroad: i) Upto JAG ii) SAG/ HAG iii) Adv	ADG/ DIR ADG/ DIR ADG/ DIR	DDG ADV(F) M(F)
12	Seniority list/ rosters: i) JAO to Sr. AO (Provisional) (Final) ii) JTS to JAG (Provisional) (Final) iii) SAG & above (Provisional) (Final)	ADG ADG/ DIR US/ DIR DIR/ DDG/ ADV(F) US/ DIR/ DDG DIR/ DDG/ ADV(F)	DIR DDG DDG M(F) ADV(F) M(F)

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
13	Pay fixation in DoT (all officers)	AO	ADG
14	LDC(TA)/ Jr /Sr./Acctt. (Policy matters)	US	DIR
15	DPC (Admin. Approval): i) JAO to Sr. AO ii) JTS to SAG	ADG/ DIR/ DDG/ ADV(F) US/ DIR/ DDG/ ADV(F)	M(F) M(F)
16	VIP cases: i) MOS(C) / MOC ii) LDC/ Jr. Acctt./ Sr. Acctt. iii) Others	* US/ DIR US/ DIR/ DDG	* ADV(F) ADV(F)

*Not available

E. Circulars and Orders Pertaining to Finance

DOT No. 4-1/93-TC dated 02.12.1994

Office Memorandum

In supersession of the orders contained in this office memorandum No. 4-1/88-FC dated 4th March 1991 on the delegation of financial powers to the officers in the Telecom directorate to exercise financial powers on behalf of the Telecom Commission without consulting the integrated Finance Advice Branch. A review of the delegation of power to these officers has been made and it has been decided that officers will be delegated financial powers as indicated in the Annexure attached to this Memo.

2. The exercise of these financial powers will be subject to all the usual conditions as laid down in the Schedule of Financial powers of the officers of the Department of Telecommunications and instructions issued from time to time in regard to the specific items of expenditure.

3. These orders are effective from the date of issue.

(S.P. Purwar)
Sr. Dy. Director General (F)

Annexure

Statement of Financial Powers Authorized to be Exercised by AS (T), JS (A&P), DS (T) and US (T) of Telecom Commission in respect of cases relating to Commission without referring to Finance Advice Branch

Sl. No.	Nature of Power	AS(T)	JS(A&P)	DS(T)	US(T)
1.	Repairs/ petty works to rented buildings (non-recurring expenditure only) #	Rs. 10,000/-	Rs. 5,000/-	Rs. 2,500	-
2.	Maintenance & repair in departmental buildings	-	Full	Rs. 5,000/- per annum	Rs. 1,000/- per annum
3.	Petty works in departmental buildings	Rs. one lakh per annum	-	-	Rs. 1,000/- per annum
4.	Electric, Gas, Water charges, Municipal Rates & Taxes	Full	Full	Rs. 20,000/- per annum	Rs. 10,000 per annum
5.	Advertisement charges	Rs. two lakhs per annum subject to Rs. 50,000/- per insertion (Through DAVP only)	Rs. one lakh per annum subject to Rs. 35,000/- per insertion (Through DAVP only).	-	-
6.	Bicycles, purchase and repairs ##	Full	Full	Rs. 5,000/- in each case.	Rs. 1,000/- in each case
7.	Furniture & Fixtures ###				
	i) Purchase	Rs. 5,00,000/- per annum subject to Rs. 20,000/- on each occasion.	Rs. 2,00,000/- per annum subject to Rs. 10,000/- on each occasion.	Rs. 75,000/- p.a. subject to Rs. 5,000/- on each occasion.	Rs. 50,000/- per annum subject to Rs. 3,000/- on each occasion.

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	ii) Repairs	-	Full	Full	Rs. 2,000/- on each occasion subject to Rs. 20,000/- per annum
8.	Publications Official and non-official [@]	Full	Full	-	-
9.	Hot & Cold weather charges	Full	Full	Rs. 5,000/- per annum	Rs. 1,000/- per annum
10.	Water coolers Repairs and Servicing	Full	Full	Rs. 5,000/- per annum	Rs. 1,000/- per annum
11.	Law charges – fees to Barristers, pleaders, arbitrators & umpires subject to fulfillment of conditions. ^{@ @}	-	Full	Rs. 5,000/- per annum	Rs. 1,000/- per annum
12.	Maintenance of gardens attached to office buildings	Full	Full	-	Rs.1,000 per annum
13.	Local purchase of stationery and other articles. ^{@ @ @}	-	Rs. twenty lakhs per annum	Rs. 5,000/- on each occasion subject to limit of Rs. 2 lakhs p.a.	Rs. 2,000/- on each occasion subject to annual limit of Rs.40 k.
14.	Purchase, upkeep, maintenance of typewriters, duplicators, copying machines, account m/cs. etc.				
	i) Purchases	Full	Full	-	Rs. 500/- for each machine as per terms of the approved Rate Contract subject to a maximum of Rs.50 k.
	ii) Upkeep and Maintenance	Full	Full	Rs.1 lakh per annum for upkeep & maintenance	
15.	Rubber Stamps/ office seals	Full	Full	Full	Rs. 1,000/- per annum
16.	Liveries and Uniforms including Water Proofs. ^{&}	Full	Full	Full	Rs. 1,000/- per annum
17.	Provision of escorts for conveyance of cash	Full	Full	Rs. 5,000/- per annum	Rs. 1,000/- per annum
18.	Maintenance/ upkeep of departmental motor/ vehicles staff cars	-	Full	-	-
19.	Engagement of taxis ^{&&}	-	Rs. 1,500/- per day subject to annual limit of Rs. 20,000/-.	-	-
20.	Printing and Binding ^{&&&}	-	Rs. 1 lakh per annum	-	Rs. 5,000/- per annum
21.	Misc. Expenditure				
	(i) Entertainment ^{&&& &}				
	(ii) Entertainment of guests on official work with the Minister/ Chairman/ Members of Telecom commission (including gifts) as per the orders of Govt. of India	Rs. 20,000/- per annum	Rs. 10,000 per annum	-	Rs. 2,000/- per annum
22.	Contingent expenditure (Recurring) on any object for which no scale or limit to power of sanction is prescribed in schedule of financial Powers.	Rs. 50,000/- per annum subject to Rs.10,000/- on each occasion.	Rs. 20,000/- per annum subject to Rs.5,000/- on each occasion.	Rs. 15,000/- per annum subject to Rs.1,000/- on each occasion.	Rs.10,000/- per annum subject to Rs.500/- on each occasion.
23.	Contingent expenditure for housekeeping and caretaking functions (Recurring)	Full	Rs. 2,40,000/- per annum subject to a maximum of Rs.20,000/- per month	-	-
24.	Contingent expenditure (non-recurring) on any object for which another limit is not specified in schedule of financial powers provided that there is nothing novel, doubtful or irregular in the character or the expenditure and subject to provisions of sub rule (5) of rule 10 of DFP Rules 1978 including the items specified and covered by items 7 and 23.	Rs. 1 lakh subject to Rs.10,000/- on each occasion	Rs. 75 thousand per annum subject to Rs. 5,000/- on each occasion.	Rs. 50,000/- per annum subject to Rs. 2,000/- on each occasion.	Rs. 25,000/- per annum subject to Rs.1,000/- on each occasion.

Conditions:

1. Such expenditure may be incurred only if the land-lord refused to meet the charges himself and when the building is released. The department should have the right to remove any installation or material added to the building. 2. These powers can also be exercised in respect of buildings occupied by the department free or on nominal rent. It should be ensured that all electric fans, wires, etc. fitted in such buildings at the cost of department are removed before vacating.

Supplies shall be obtained through Super Bazar/ Kendriya Bhandar, DGS&D or at Rate Contract Prices.

A register in manuscript as prescribed in Rule 348 of FHB Vol. I should be maintained by General Branch. Sanction Memo should contain a certificate to the effect that the total expenditure including that now sanctioned for the office does not exceed the annual limit.

@ (i) Priced publications of the Central government should be purchase in accordance with provisions of Appendix XIII to the rules for printing and binding; (ii) Distribution of unpriced publications of Central Government should be controlled. Distribution list should be vetted by an officer not below the rank of Director before printing is undertaken; (iii) Non-official publications include books, newspapers, periodicals, publications etc.

@ @ (i) expenditure shall ordinarily be incurred only with previous consent of the Ministry of Law except (a) in respect of fees of Govt. Pleaders appointed by the Govt. of India in the Ministry of Law under Clause (a) of Rule 8(B) of order XXVII of the first schedule to the Code of Civil procedure 1901 (5 of 1908) or State Law Officers while the fees fixed by the High Court or State Govt. or any law for the time being in force or are settled or determined by Ministry of Law, as the case may be. (ii) In respect of fees of Advocates whose names are borne on a panel approved by the Law Ministry for any court unless special fees exceeding fees admissible under the sanctioned schedule of fees are claimed.

@ @ @ 1. A manuscript register for watching the annual limit should be maintained as in the case of item 7; Items included under stationery are listed in appendix 16 to FHB Vol. I. The other articles include items classified under "other contingencies" as per the FHB Vol. I. The Stationery and other articles should be purchased from Super Bazar/ Kendriya Bhandar or any other Co-operative Stores of Ministry/ Department of Govt. of India.

& Supply of liveries and uniforms should be in accordance with special rules and orders issued by Govt. from time to time and provision of Rule 737 of P&T Manual Vol.II and Rule 51 of App. 13 of P&T FHB. Vol. I.

&& 1. Taxes can be engaged only in connection with the seminar/ conference at All India level as per Govt. of India Instructions; 2. Engagement of Luxury cars is prohibited.

& & & These powers will be exercised only in respect of cases in which the lowest rate on open tender basis is approved. For other cases, prior concurrence of Finance will be necessary.

& & & As per separate detailed instructions of Telecom Commission vide letter No. 5-4/89-EB dated 25.10.89 and 2.4.90 and letters No. 6-1/90-FC dated 5.3.90, No. 6-1/93-FC dated 27.04.94.

Notes

1. Powers mentioned above can be exercised by the respective officers on the condition that expenditure involved can be met from the allotted funds placed at their disposal by Budget Branch of the Telecom Commission.

2. Powers to be exercised under this order are subject to the condition that all rules for purchase/ supply of articles for public service, printing at Government/ private presses, contractors miscellaneous, contingent expenditure etc. contained in GFRs, Delegation of Financial Powers Rules, P&T FHB and Manual and orders, restrictions, made from time to time by Govt. or Telecom Commission shall be strictly followed.

3. The powers vested in JS (A&P) may also be exercised by AS (T).

DOT No. 4-1/93-FC dated 08.09.1995

In partial modification of O.M. of even number dated 2.12.94 on the delegation of financial powers to officers in Telecom Directorate to exercise financial powers on behalf of the Telecom Commission without consulting integrated Finance, it has been decided to enhance the financial powers of Joint Secretary in respect of items No.13 of the annexure thereto, as detailed below:

Item No.	Nature of power	Existing financial powers	Enhanced financial powers
13	Local purchase of Stationery and other articles	Rs. 20 lakhs per annum	Rs. 40 lakhs per annum

This has the approval of Member (Finance).

(Anuradha Mitra)
Director (SEA)

DOT No. 4-1/93-FC dated 19.07.1996

In continuation of the orders contained in this Office Memorandum No. 4-1/93-FC dated 2nd December 1994 on the delegation of financial powers to the officers in the Telecom Directorate to exercise financial powers on behalf of the Telecom Commission without consulting integrated Finance Advice Branch,

No.	Nature of Power	AS	JS	DS	US
21	Misc. Expenditure- Entertainment: Entertainment for guests on official work with the Minister/ Chairman, Members of Telecom Commission (including gifts)- Advisors, DDsG and Directors as per orders of Govt. of India	Full	Full	-	Rs.2000/- per annum

Subject to the following conditions:

i) All claims of canteen shall be received and passed for payment by the competent authority centrally in the unit of Jt.

Secretary (DOT) before these are sent to PAO for payments.

- ii) In order to keep a control over expenditure on entertainment, it would be desirable that the total expenditure so arrived at each month, may be sent to officers below the rank of Members (Telecom Commission) i.e. Advisor/ Sr.DDsG/ DDsG and J.S. for their information.
- iii) Expenditure control Register as required under the rules, shall have to be maintained in the unit of JS in order to meet the requirements of Audit.

These orders are effective from the date of issue.

(S.P. Purwar)
Sr. Dy. Director General (Fin.)

DOT No. 4-1/93-FC dated 26.09.1996

In continuation of the orders contained in this Office Memorandum No. 4-1/93-FC dated 2nd December, 94 on the delegation of financial powers to the officers in the Telecom Directorate to exercise financial powers on behalf of the Telecom Commission without consulting integrated Finance Advice Branch, the undersigned has been directed to convey the approval of Member (Finance) to enhance the delegated financial powers in respect of item No.4, viz, expenditure on Electric, Gas, Water charges, Municipal Rates & Taxes as indicated below:

Item No.	Nature of Power	AS (T)	JS (A&P)	DS(T)	US(T)
4	Electric, Gas, Water charges, Municipal Rates & Taxes	Full	Full	Rs.10 lakhs per month and Rs. One crore per annum	Rs.10 lakhs per month and Rs. 50 lakhs per annum

2. The exercise of these financial powers will be subject to all the usual conditions as laid down in the Schedule of Financial powers of the officers of the Department of Telecommunications and instructions issued from time to time in regard to the specific items of expenditure.

3. These orders are effective from the date of issue.

(M.N. Narula)
Asstt. Director General (FC)

DOT No. 4-1/93-FC dated 31.01.1997

In partial modification of O.M. of even number dated 2.12.94 on the delegation of financial powers to officers in Telecom Directorate to exercise financial powers on behalf of the Telecom Commission without consulting integrated Finance, it has been decided to enhance the financial powers of Joint Secretary in respect of items No.19 of the annexure thereto, as detailed below:

Item No.	Nature of power	Existing financial powers	Enhanced financial powers
19	Engagement of Taxies	Rs. 1500/- per day subject to annual limit of Rs.20,000/-	Rs.1500/- per day subject to annual limit of Rs.75,000/-

(Condition No.1 below this item – that taxies can be engaged only in connection with the seminars/ conferences at All India level as per G.O.I. instructions is *waived* until 30.6.97)

This has the approval of Member (Finance).

(Anuradha Joshi Durgapal)
Director (SEA)

DOT No. 4-1/93-FC dated 02.11.98

In continuation of the orders contained in this OM No.4-1/93-FC dated 2.12.94 on the delegation of powers to the officers in the Telecom Directorate to exercise financial powers on behalf of the Telecom Commission, it has been decided to substitute the existing para No.7(i) and 13 as under:

No.	Nature of Power	AS (T)	JS (A&P)
7(i)	Furniture & Fixtures: i) Purchase	Full Powers	---
13	Local Purchase of Stationery & other items	---	Full Powers

subject to the following conditions:-

- 1) These powers will be exercised in concurrence of appropriate Finance Advice.
- 2) Expenditure Control Registers as required under the rules shall have to be maintained in the unit of JS in order to meet the requirements of audit.
- 3) These orders are effective from the date of issue.

This has the approval of Advisor (F).

(Anuradha Joshi Durgapal)
Director (SEA)

Department of Expenditure No. 8(4)-E-II(A)/98 dated 17.12.1998

Subject: **Purchase of Computer Systems by Government Departments**

The undersigned is directed to invite attention to the provisions of GFR 102(1) and the Annexure to the same according to which "Open Tender" system (that is, invitation to tender by public advertisement) should be used as a general rule in all cases in which the estimated value of the demand is Rs. 50,000/- and above.

2. It has been brought to the notice of this Ministry by Deptt. of Electronics that certain Ministries/ Deptts etc. issue tenders for purchase of personal computers where they specify the international brands like IBM, Compaq, HP, Digital, DELL or Gateway Micron. This vitiates the guidelines for open tender system laid down in GFRs and deprives other brands including domestic manufacturers of an opportunity to participate in the tender. Further Deptt. of Electronics have pointed out that brand names do not have any great advantage since at the broad level there is hardly any difference between the competing products because they predominantly use Intel microprocessors.

3. Separately, DGS&D have informed that generalised specifications for personal computers have been finalised and the process of concluding rate contract is being initiated.

4. It is, therefore, advised that Ministries/ Departments should follow the open tender system without vitiating it by specifying brand names in accordance with the provisions in GFRs for purchase of personal computer, till a rate contract for computers is concluded by DGS&D. Thereafter, computers could be purchased on rate contract basis.

DOT No. nil dated 22.09.99

Subject: **Delegation of Financial Powers to Sr. DDsG/ DDsG and Officers equivalent and above in DOT Headquarters**

With a view to expediting the disposal of cases and to overcome the handicaps and deficiencies presently faced in Administrative, Financial and Personnel related aspects a Working Group was constituted. The recommendations of the Working Group have been accepted by the Telecom Commission. Accordingly, it has been decided to empower the Sr. DDsG/ DDsG and officers equivalent and above in the DOT Hqs. with powers as listed in the Annexure.

These powers listed in the Annexure will be exercised without Finance concurrence, but, will be subject to Rules, Orders, Instruction and Procedures prescribed by Government from time to time, and the availability of funds under relevant budget head.

(Anil Kumar)
Joint Secretary

Annexure

Empowerment to Sr. DDsG/ DDsG and Officers Equivalent and Above

1. Hiring of Vehicles

DLT taxis may be hired, when Government vehicles are not readily available from CR Section for official purpose. The officers will engage Taxies from the nearest Taxi stand after ascertaining the non availability of Govt. vehicles. Hire charges will be reimbursable on production of receipts. The standard format for the receipts will be circulated by the S.O. (G - II) Section.

2. Furniture

After examining the availability and the requirement for additional furniture under their Wing, sanction may be issued to the General Branch without finance concurrence, for procurement on the strength of the sanction. The specifications of furniture required to be mentioned in the sanction order will be circulated by G-I Branch.

3. Printing

Sanction may be issued for printing of materials up to Rs.20,000/- (Rupees Twenty thousand only) per annum, without finance concurrence, after ensuring the need and adequacy of the work. However, the work will be got done by PP Cell under JS(T).

4. Typing

Typists may be engaged through nominated agencies on fixed hourly and per day rates for the work of typing except classified documents, which is not possible in the Sections due to shortage of hands. The Typing Agencies shall be appointed by Administration Section.

5. Special Contingent Items

The works like binding of Registers, caning of chairs etc. may be got done through the contractors and the work completion report sent to S.O.(G-I) for making payment to the contractor. The contractors shall be appointed by the Administration Section.

6. Imprest

An Imprest of Rs.2,000/- (Rupees Two thousand only) is placed at the disposal for certain specified purposes as mentioned below. For operating the Imprest they will nominate a Group 'B' officer under them who will keep the account, maintain the Stock Register etc., as required under the rules. He will attest the receipts of purchases produced to him before sending them to the Cashier for getting the imprest money recouped.

The Imprest money is to be utilized only for the following purpose:

(i) Stationary items:

Stationary items, computer stationary, Anti-virus software and small office equipments fall in this category. In case S.O. (G-I) certifies the immediate non-availability of these items, such items may be purchased from Super Bazar, Kendriya Bhandar and NCCF outlets.

(ii) Incurring of expenditure for despatch of dak by Courier/ Speed Post

(iii) Photocopying

In cases when photocopying work cannot be done on machines available in Sanchar Bhavan, photocopying may be got done, except classified documents, from outside on payment of reasonable charges with the approval of officers of the rank of DDsG and above.

(iv) Lunch/ snacks in official meetings

Lunch or snacks may be served in official meetings where outside organizations/ field units are participating preferably through Sanchar Bhavan Canteen up to Rs.50/- (Rupees Fifty only) per head.

(Anil Kumar)
Joint Secretary

DOT No. 4-1/99-FC dated 24.04.2000

In file No. 4-1/93-FC dated 2.12.94 delegation of financial powers to the officers in the Telecom Directorate to exercise financial powers on behalf of the Telecom Commission was communicated authorizing Addl. Secretary (T), Joint Secretary (A&P), Dy. Secretary (T) and Under Secretary (T) to the extent indicated in the above letter, without consulting the integrated Finance Advice Branch.

2. Later, the proposal of the Administrative Branch suggesting enhanced financial powers to the Addl. Secretary (T) and Joint Secretary (A&P) under the Heads Purchase of furniture and fixtures [Item 7(1)] and local purchase of stationary and other items (Item No.13) was also agreed to with full financial powers but with concurrence of appropriate Finance Advice. The Administrative Branch has further requested for deletion of clause No.1 i.e. to exercise these enhanced financial powers by the Addl. Secretary and Joint Secretary, without consulting to the Finance Advice Branch.

3. The proposal has been examined and approval by the competent authority for deletion of clause No.1 of O.M. dated 2.11.98. Hereafter the enhanced financial powers communicated in O.M. No.12-1/98-FC dated 2.11.98 under (Item No.7.1 & 13) viz. purchase of furniture and fixtures and local purchase of stationary and other items will be exercised without consulting the Integrated Finance Advice Branch.

4. These orders are effective from the date of issue and all other conditions communicated in the above O.M. shall remain unchanged.

(V.L.N. Sastry)
Director (FC)

Department of Expenditure No. 15(1)/E.II(A)/02 dated 30.07.2002

Subject: **Amendment to General Financial Rules, 1963**

The undersigned is directed to say that in order to bring greater transparency in procurement and tendering process and to provide greater access to information, it has been decided to amend para 29 of Annexure to Rule 102 (1) of GFRs, so as to include a provision relating to publication of tender enquiries in the website of concerned Department/ Government Organisation. A copy of the amendment is enclosed.

2. Ministry of Home Affairs etc. are requested to bring these amendments to the notice of all their attached and sub-ordinate

offices for their information.

3. Hindi version of this O.M. is enclosed.

AMENDMENT TO GENERAL FINANCIAL RULES, 1963

ANNEXURE TO CHAPTER 8 RULE 102(1)

Substitute the existing para 29 of this Annexure by the following:

"29- For purchase of value of Rs 2 lakhs and above, but less than Rs. 5 lakhs tender enquiries may be issued in the form of classified advertisements in the local newspapers. For purchases of value of Rs. 5 lakhs and above, Open Tenders may be advertised in national dailies in addition to the Indian Trade Journal. The Indian Trade Journal published by the Director-General of Commercial Intelligence and Statistics, Kolkata, which is a Government publication should be regarded as the standard medium for public advertisements in India. As a method of improving e-governance and bringing greater transparency in Administration, Departments of Central Government/ Organisations having a website may use this as an additional medium for publication of the tender enquiries apart from the newspapers/Indian Trade Journal."

[Note: The GFRs 2005 have since been introduced w.e.f. 1.4.2005.]

Department of Expenditure No. 8/1/E-II A/03 dated 20.05.2003

Subject: **Purchase of IT Products by Government Departments**

The undersigned is directed to refer to this Ministry's circular no. 8(4)/E.II A/98 dated 17.12.1998 wherein all the Ministries/ Departments of Govt. of India were advised to follow the open tender system without vitiating it by specifying brand names, in accordance with the provisions in GFRs for purchase of Personal Computers.

2. Lately, it has been brought to the notice of this Ministry that certain Ministries/ Departments, etc. are issuing tenders for purchase of IT products viz. Servers, Computer Peripherals and Networking Products, where they specify the brand names in the tender notices for procurement of these products. This vitiates the guidelines for open tender system laid down in GFRs and deprives other brands including domestic manufacturers of an opportunity to participate in the tender.

3. The matter has been considered in this Ministry in consultation with Department of Information Technology and in partial modification of this Ministry's above referred circular dated 17.12.1998, Ministries/ Departments are advised to strictly follow the open tender system without vitiating it by specifying the brand names in accordance with the provisions in GFRs for purchase of Personal Computers, Servers, Computer Peripherals and Networking Products. Further, the organizations eligible for participating in the Govt./ PSU tender should be approved ISO 9002 or equivalent companies.

4. In this regard, DGS&D has separately informed this Ministry that they are in the process of entering into agreements with reputed manufacturers, for most favoured customer prices for highly technical and specialized items like Servers, Peripherals, Networking Equipment etc. and till such time, rate contract for these items is concluded by DGS&D, Ministries/ Departments are advised to purchase such items through proper tendering procedure (without vitiating by mentioning brand names). Thereafter, these items could be purchased on rate contract basis.

Encl: as above

(Note: The enclosure has been printed immediately below this box)

Department of Expenditure No. 8(8)/E.II(A)/2003 dated 24.12.2003

Subject: **Amendment to General Financial Rules, 1963**

The undersigned is directed to say that in order to avoid delay in sanction/ release of grant-in-aid for the relevant years to the grantee institutions, it has been decided to amend Rule 151(1) of GFRs, so as to reduce the period prescribed as 18 months to 12 months for obtaining Utilisation Certificates for grants released in the previous year for the purpose of sanctioning the grant-in-aid for the subsequent years. A copy of the amendment is enclosed.

2. Ministry of Home Affairs etc. are requested to bring these amendments to the notice of all their attached and sub-ordinate offices for their information.

3. Hindi version of this O.M. will follow.

AMENDMENT TO GENERAL FINANCIAL RULES, 1963

Rule 151(1) of GFR

Substitute the existing first para of this Rule by the following para:

“A certificate of actual utilization of the grants received, for the purpose for which it was received, will be specifically insisted in respect of nonrecurring grants and should be submitted within 12 months of the closure of the financial year by the institution concerned. Receipt of such certificate shall be watched by the Administrative Ministry/ Department concerned. Where such certificate is not received from the grantee within the prescribed time, the department will be at liberty to and should seriously consider blacklisting such institution from any future grant, subsidy or other type of financial support from the Government.”

Department of Expenditure No. 7(2)E-Coord./03 dated 25.03.2004

Office Memorandum

Subject: **Economy in Expenditure - Serving of Refreshments during Meetings etc.**

This Department, vide its O.M. No. 7(5)E-Coord/98 dated 12.6.1998, had fixed the ceiling of Rs.50/- per head for serving refreshments etc. during the meetings/ conferences/ seminars/ workshops which start in the forenoon continue beyond lunch time.

2. A number of proposals have been received from various Ministries/ Departments seeking relaxation of the above ceiling.
3. The matter has been re-examined and it has been decided to revise the limit of Rs.50/- per head to Rs.150 per head for serving refreshments/ working lunch during the meetings/ seminars/ conferences which start in the forenoon and continue beyond lunch time. The holding of meetings/ conferences/ seminars/ workshops etc. in hotels should be avoided to curb wasteful expenditure. The Financial Advisers are requested to adhere to the prescribed revised ceiling keeping always in view the need for austerity and economy in expenditure.

(S.K. Chopra)

Under Secretary to the Govt. of India

Department of Expenditure No. 12(1)E.II(A)/2004 dated 08.10.2004

Subject: **Revision in Eligibility Limits and Quantum of Various Advances following Merger of Dearness Allowance (DA) with Basic Pay**

The undersigned is directed to say that following the merger of 50% of Dearness Allowance with Basic Pay vide this Department's OM No. 105/1/2004-IC dated 1/3/2004, it has been decided to amend the existing provisions of Rule 193, Rule 199, Rule 211, Rule 212, Rule 236 and Rule 263 of General Financial Rules (GFRs), 1963 — relating to advances for purchase of motor car, personal computer, motor cycles/ moped, bicycle and advances for festival and for providing immediate financial relief to the families Govt. servants who die while in service, as per the amendment enclosed.

2. These orders will take effect from the date of issue. The cases where the advances have been sanctioned under the provisions of earlier rules or in terms of this Department's OM dated 1/3/2004 mentioned above, need not be re-opened.
3. In so far as persons serving in Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller and Auditor General of India.
4. All the Ministries/ Departments are requested to bring the amendments to the notice of all its attached and subordinate offices for their information.
5. Hindi version is enclosed

**Amendments to General Financial Rules, 1963
Chapter 14 – Advances to Government Servants**

Motor Car and Motor Cycle/ Scooter/ Moped Advance Rule 193
In Rule 193

- (a) In clause (ii) relating to the conditions of eligibility for Motor Car Advance, for the words and figure “basic pay is Rs. 10500 (Rupees Ten thousand five hundred) per month or more”, the words and figure “basic pay and dearness pay

- taken together is Rs. 15,750 (Rupees Fifteen thousand seven hundred fifty) per month or more shall be substituted.
- (b) In clause (iii) relating to the conditions of eligibility for Motor Cycle/ Scooter/ Moped Advance, for the words and figure "basic pay is Rs.4,600 (Rupees Four thousand six hundred) per month or more", the words and figures "basic pay and dearness pay taken together is Rs.6,900 (Rupees Six thousand nine hundred) per month or more", shall be substituted.

Rule 199(1) & (2)

In Rule 199:

- (a) In sub-rule (1) relating to the amount of advance for purchase of motor car for the first occasion for the words "or eleven months' basic pay and dearness pay of the Government servant taken together", the words "or eight months' basic pay and dearness pay of the Government servant taken together", shall be substituted.
- (b) In sub-rule (2) relating to quantum of advance admissible on second or subsequent occasions for purchase of motor car, for the words, "or eleven months' basic pay of the Government servant" the words "or eight months' basic pay and dearness pay of the Government servant taken together" shall be substituted.

In Rule 211 relating to conditions and quantum of advance admissible for purchase of Motor Cycle/ Scooter/ Moped:

- (a) In first proviso relating to amount of advance admissible for the first occasion, for the words "or six months' basic pay", the words "or four months' basic pay and dearness pay taken together", be substituted,
- (b) In the provision relating to quantum of advance that may be granted on second or subsequent occasions for purchase of motor cycle/scooter/moped, for the words "or five months' basic pay", the words "or three months' basic pay and dearness pay taken together" shall be substituted.

BICYCLE ADVANCE

Rule 212

In Rule 212, in the opening clause relating to eligibility for Bicycle Advance, for the words and figures "who is in receipt of basic pay not exceeding Rs. 5,000 (Rupees Five thousand) per month", the words "whose basic pay and dearness pay taken together does not exceed Rs. 7,500 (Rupees Seven thousand five hundred) per month", shall be substituted.

FESTIVAL ADVANCE

Rule 236

In Rule 236, in the opening relating to eligibility for Festival Advance, for the words and figures "who is in receipt of basic pay not exceeding Rs. 8,300 (Rupees Eight thousand three hundred) per month", the words "whose basic pay and dearness pay taken together does not exceed Rs.12,450 (Rupees twelve thousand four hundred fifty) per month", shall be substituted.

PART I LUMPSUM ADVANCE TO PROVIDE FOR IMMEDIATE FINANCIAL RELIEF

Rule 263

In Rule 263 for the words "equal to three months' pay as defined in FR 9(21) (a) (i) of the deceased Government servant, subject to a maximum of Rs.8,000 (Rupees Eight thousand only)", the words – "equal to two months' basic pay and dearness pay taken together of the deceased government servant, subject to a maximum of Rs.8,000 (Rupees Eight thousand only)", shall be substituted.

Department of Expenditure No. 1(11)E.II(A)/2003 dated 01.02.2005

Subject: Exercise of Powers under Delegation of Financial Power Rules, 1978

The undersigned is directed to refer to this Ministry's Notification dated 16th Sept., 2003, wherein this Ministry had *inter-alia*, authorized Departments of the Central Govt., in consultation with their Financial Adviser to decide the financial limits up to which they wish to delegate powers to their Heads of Department for incurring Contingent and Miscellaneous Expenditure as given under Schedule V and VI of DFPRs. In this regard, it is clarified that the Heads of Departments would be required to consult the Financial adviser of their Department concerned for exercising their enhanced powers delegated to them by their Ministry/ Department in pursuance of this Department's Notification dated 16.09.2003 (referred to above). In other words, *consultation with the Financial Adviser* would have to be made by Head of Department for exercising powers beyond the earlier delegation (i.e., prior to 16th September, 2003).

2. This issues with the approval of Secretary (Exp.).

Department of Expenditure No. 8/9/E.II(A)/2003 dated 01.07.2005

Subject: General Financial Rules, 2005

The undersigned is directed to inform that the new General Financial Rules, 2005 have been formulated which takes effect from July 1, 2005. It is further informed that for the sake of convenience of the Govt. employees, the provisions relating to

Advances to Government Servants (Chapter 14 of GFRs, 1963) have been excluded from General Financial Rules, 2005 and have been issued separately in a Compendium, which also applies with immediate effect.

2. Both the General Financial Rules, 2005 and the Compendium of Rules on Advances to Government Servants have been placed on this Ministry's website www.finmin.nic.in

Department of Expenditure No. 1/12/E.II(A)94 dated 29.07.2005
(Circulated vide DOT No. 7-7/2005.Fin dated 09.08.2005)

Subject: General Financial Rules, 2005 - Purchase/ Procurement of Goods for use by Govt. of India Offices thereunder

The undersigned is directed to invite attention to DOPT's OM No. 14/14/80-Welfare dated 14.7.1981 and OM No. 14/1/88-Welfare dated 11.4.1994 and to say that the special dispensation from the procedure of inviting tenders/ quotations provided to Kendriya Bhandar and NCCF in the OMs ibid, was under Chapter 8 of the General Financial Rules, 1963, which are no longer in force after the issue of New General Financial Rules, 2005 effective from 1st July, 2005.

Accordingly, any purchase/ procurement of goods for use by all Govt. of India offices will now be guided by the relevant provisions of the General Financial Rules, 2005.

Department of Expenditure No. 7(2)/E-Coord/2005 dated 23.11.2005

Subject: Budget/ Expenditure Management: Economy Measures, Rationalization of Expenditure, and Measures for augmentation of Revenues

The Government has decided to introduce certain measures related to the captioned subject. In partial supersession of this Ministry's OM No.7(5)/E-Coord/2004 dated September 24, 2004 on the subject cited above, the following modified measures for fiscal prudence and economy are introduced which shall be strictly observed with immediate effect:

A. Economy in Expenditure

1. The need for avoiding ostentatious expenditure is emphasized upon. Government offices should be managed with every economy in operating expenses such as maintenance of buildings and office equipments, lighting, conservancy, stationary and postage etc. Austerity must be reflected in furnishing of offices/ offices at residences also. Expenditure on office expenses, foreign travel, overtime allowance/ honorarium, hiring of vehicles, telephone charges, petrol, oil and lubricants, and seminars/ conferences will, therefore, be restricted in 2005-06 to average of actual expenditure incurred in 2002-03, 2003-04 and 2004-05 through appropriate economy measures. No re-appropriation of funds to augment these heads of expenditure would be allowed during the current financial year. The expenditure limit prescribed for these purposes shall be strictly enforced.

2. Foreign travel should be restricted to unavoidable official engagements, and Cabinet Secretariat instructions dated 14.9.2005 on the subject particularly the norms of number and purpose of visits, strictly complied with. Travel abroad of spouses at: official expense, where required for protocol purposes, will be kept to the most minimum and strictly in accordance with the requirement, with suitable guidelines to be issued by Ministry of Defence/ Ministry of Home Affairs in this regard. There shall, however, be a total ban on foreign travel for Study Tours, Seminars, Workshops etc., funded by the Government of India except for annual and other formal meetings of bilateral/multilateral bodies. Size of official delegations, where foreign travel is essential, shall be restricted to the bare minimum.

3. The air travel, both domestic and overseas, on official account would now be permissible on airlines other than Air India/Indian Airlines also, provided the criteria for selecting the alternative airline for official travel are based on better and more competitive prices being offered by the other airlines. Various incentive schemes and concessional fares offered by Air India/ Indian Airlines will also be fully utilised to ensure utmost economy in air travel. This would apply both to officials within India and to officials posted abroad. MEA will also make consequential changes in Rules, in consultation with DOPT and the Department of Expenditure. General guidelines for domestic/overseas air travel would also be modified accordingly by DOPT and Department of Expenditure.

4. While officials are entitled to various classes of Air Travel depending on seniority etc., it is hoped that utmost economy would be observed while exercising the choice, and bookings in the First Class should be eschewed unless considered necessary for protocol purposes. In particular, in delegations led by Ministers, irrespective of entitlement, no member of the delegation should choose to travel by a class higher than the one chosen by the Minister.

5. To curtail the expenditure on telephones, Ministries/ Departments would now also be able to avail of services of providers other than MTNL/ BSNL, provided the criteria for selecting the alternative service provider are based on better and more

competitive rates being offered by the latter.

6. Due economy should be observed in organizing Conferences/ Seminars/ Workshops etc., with these being restricted to only those which are absolutely essential. Existing guidelines for holding such events, and prescribed expenditure ceilings, should be strictly enforced. Where possible and appropriate, such events/ activities, to the extent deemed essential, be organized under Public Private Partnership with the partner contributing substantially to the expenditure.

7. Purchase of new vehicles is banned until further orders. Exceptions will be allowed only in unavoidable cases, including for meeting the operational requirements of Defence Forces and Central Para Military Forces, with prior concurrence of the Department of Expenditure, Ministry of Finance.

8. There shall be a ban on creation of new posts in all Ministries/ Departments/ Autonomous Institutions till further orders. Any unavoidable proposals for the creation of posts, including Groups 'B', 'C' and 'D' posts, will continue to be referred to the Ministry of Finance (Department of Expenditure) for approval. The proposals would necessarily have to be based on 'new organisation' and accompanied by matching savings from existing related establishment. Outsourcing of routine services such as cleaning, maintenance, moving papers/ dak etc., may be encouraged.

9. Every Ministry/ Department shall undertake a review of all the posts lying vacant for more than six months in the Ministry/ Department and in the Attached and Subordinate Offices, etc., in consultation with the Ministry of Finance (Department of Expenditure) so as to identify posts which can be abolished. These reviews must be completed by March 31, 2006 and details of vacant posts in the respective Ministries and those identified for abolition intimated to the Department of Expenditure immediately thereafter. Till the review is completed no posts lying vacant for more than six months should be filled up except with the prior approval of the Ministry of Finance (Department of Expenditure).

10. Implementation of existing instructions of DoP&T O.M. No. 2/8/2001-PIC dated 16.5.2001 concerning 10% cut in posts and abolition of posts lying vacant for more than one year will be ensured.

11. In respect of provisions regarding deployment of surplus staff, all efforts will be made for regular posting of the employees transferred to the Surplus Cell within a period of six months.

12. The transfer policies and the frequency and the periodicity of transfers of officials whether within the country or overseas shall be reviewed as frequent transfers cause avoidable instability, resulting in inadequate development of expertise and grasp of the responsibilities, besides resulting in avoidable expenditure. All Ministries, including Ministry of External Affairs, shall review the policies with a view to ensuring longer tenures at posting, thereby reducing the expenses on allowances and transfers.

13. Increased use of Information and Communications Technology should be further encouraged, with a view to ensuring better utilization of resources available with the Government and improved delivery of public services. Cabinet Secretariat are already monitoring the progress in this behalf. Departments will immediately complete preparing roadmaps of systems' development in this regard, keeping present and future user requirements in view. Besides, improving quality and efficiency of public services, this should also bring down the unit cost of delivery of public services. Each department will identify and shortlist specific areas of cost control by December 31, 2005. Services/ Consultancy from the office of the Chief Adviser (Cost) under the Department of Expenditure would be available to the Ministries/ Departments wishing to take the assistance in undertaking the exercise in this regard.

B. Observance of discipline in transfers to States, Public Sector Undertakings and Autonomous Bodies at Central/ State/ Local level

14. No amount will be released to any entity (including State Governments), which has defaulted in furnishing utilization certificates for grants-in-aid released by Central Government in the past without clearance from the Ministry of Finance. In respect of all grants released prior to April 1, 2004, two months' notice may be given to the concerned entities to furnish the required utilization certificates, failing which the amount will be deducted from future releases and credited to government revenue as "refund of unused grants".

15. Ministries/ Departments will not transfer funds under any Plan scheme in relaxation of conditionalities attached to such transfers (such as matching funding). Where a scheme contemplates a prior determination of each State's entitlement of Central Budget support, the actual disbursements will be limited to these entitlements. Specifically, it will not be open to any Ministry/Department to release excess funds to any State by diverting "savings" in respect of another State as the practice tends to aggravate imbalances.

16 The State Governments will, henceforth, furnish monthly- return of Plan expenditure - Central, Centrally Sponsored or State Plan - to respective Ministries/ Departments alongwith a report on amounts outstanding in their Public Account in respect of Central and Centrally Sponsored Schemes.

C. Encouraging Additional Revenue and Internal Resource Generation

17. With a view to encouraging greater effort at garnering revenues in the Government, schemes would be evolved by the

revenue generating/ earning/ collecting Ministries/ Departments on the principle of an amount equal to 1% of the incremental revenue being earmarked as incentive provision in the next year's budget for enhancing the organisational efficiency, infrastructure and wherewithal. Each department willing to participate will work out the details of relevant schemes based on this principle of enhanced provisions-for augmenting operational efficiency arising out of the incremental revenues earned beyond the budget targets, and submit for the approval of the competent authority and the Ministry of Finance (Department of Expenditure) by December 31, 2005. Similarly, schemes would also be considered for achieving economy in expenditure against an identified benchmark.

18. With a view to reducing dependence of autonomous bodies on budgetary support and set them on a course of greater self-reliance, the general-purpose deficit grants in 2005-06 will be reduced to 95% of actual amount of average of such grants given in 2002-03, 2003-04 and 2004-05. In 2006-07, these will be further reduced to the level of 90%. This reduction will not apply for grants given for a specific project.

D. Returns on Investment by Government and non-tax Receipts

19. All profit-making Public Sector Enterprises (PSEs), which are essentially commercial enterprises, subject to specific guidelines issued from time to time, will declare a minimum dividend on equity of 20 percent or a minimum dividend pay out of 20% of post-tax profits, whichever is higher, subject to availability of disposable profits. In respect of Oil, Petroleum, Chemical and other infrastructure sectors this amount would be 30%. Besides, profit making companies with large cash surpluses and without firm plans for reinvestment shall declare special dividends. PSEs having large cash/ free reserves and sustainable profitability will issue bonus shares. Companies with high market price of shares will consider stock splits.

20. Profit making Joint Venture companies would also normally give a minimum dividend of 20% or 30% on equity depending on the sector as mentioned in the previous para.

21. Other non-tax receipts, including applicable user charges, shall be collected fully without fail, and also reviewed to aim at recovering at least the cost of the service. Each Ministry/ Department will review user charges, license fees, service charges, fees charged for products sold by them, documents, forms of various kinds and the like, applicable to all organizations under them,

22. Timely repayment of loans provided by the Government to the PSEs and due payment of fees/ charges on Government Guarantees will be ensured through effective monitoring by Ministries/ Departments.

E. Budget Formulation and Implementation

23. All on-going programmes and schemes, both Plan and non-Plan, will be carefully reviewed, scrutinized and evaluated to determine their continued relevance. This exercise shall be taken up immediately and completed by December 31, 2005. Planning Commission have already initiated the process in respect of the Plan Schemes.

24. Budget Estimates and Revised Estimates shall be prepared with reference to the commitments made in the Outcome Budget and fiscal discipline enforced in implementation of programmes/ projects to ensure 'value for money'.

25. Deviations of expenditure from the prescribed budgetary ceilings shall not be permitted. It must also be ensured that no fresh financial commitments are made on items which are not provided for in the budget approved by the Parliament. The administrative Ministries/ Departments will be fully accountable for unauthorized expenditure over and above the appropriations.

26. The instances of incurring or committing expenditure in a particular year and postponing the actual payment of bills to the subsequent financial year are improper, and must be discontinued forthwith.

27. Budget formulation should lay greater emphasis on explicit recognition of the revenue constraints and a realistic projection of the budgetary allocations required for various Projects/ Schemes and there must be strict and rigid adherence to budgetary ceilings. All procedures laid down for approving and for incurring expenditure on schemes both Plan and Non-Plan will be followed scrupulously.

28. Each Ministry/ Department would be expected to keep an account of the financial yields of the above mentioned measures implemented in the Ministry/ Department. Financial Advisers will monitor the progress in this regard and will bring the progress/ bottlenecks to the note of the Secretaries concerned on monthly basis. The results will also find mention in their monthly D.O. report to Secretary (Expenditure).

DOT No. 7-5/2001-Fin. dated 03.03.2006

Subject: **Delegation of Financial Powers**

Consequent to the filling up of the post of GM (Finance) DOT – Training Finance, ALT Campus at Ghaziabad and to ensure

smooth functioning of the DOT – Training Finance at ALT Campus at Ghaziabad the following financial powers have been decided to be delegated to GM (Finance), DOT Training Finance, ALT Campus at Ghaziabad.

Extent of Powers:

1	Recurring Non Recurring	Rs. 7500/- in each case Rs. 75000/- in each case
2	Printing and binding of forms	Full powers
3	Office Equipments	Full powers
4	Purchase of computers	Rs.5 lakhs at a time. Rs. 20 lakhs p.a.
5	Computer stationery	Full powers
6	Office stationery	Full powers
7	Maps, books & publications	Full powers
8	Furniture and Furnishings	Full powers
9	Loans and advances to staff	Full powers
10	Honorarium	Rs.2500/- in each case
11	Hiring of vehicle	Only one vehicle subject to maximum charges of Rs.2500/- per day.
12	Working Lunch/ Light Refreshment	Rs.150/- only per head on holding of meetings with other organization/ operators in connection with inter-organizational transactions.

Additional powers of expenditure is delegated to hire vehicles to the extent of Rs.5000/- per day for training purposes during training courses only and Rs.20,000/- per day for workshop/seminar purposes to be spent only on the days of such event.

GM (F) can re-delegate his power to the JAG level officer to the maximum extent mentioned below:

Contingent expenditure:

Recurring	Rs.1000/- in each case
Non-Recurring	Rs.10,000/- in each case
Office Stationery	Rs.10,000/- per month

The exercise of the financial powers will be subject to all the usual conditions as laid down in the Schedule of Financial Powers of the officers of the Department of Telecommunications as well as instructions issued from time to time in regard to the specific items of expenditure. These powers cannot be further re-delegated. Further, the exercise of these powers shall be subject to availability of funds.

This has the approval of Member (Finance) Telecom Commission.

DOT No. 7-5/2001-F&A dated 14.03.2006

Subject: Rates of Honorarium for Delivering Lectures

Kindly refer to your letter No.1-6/GM(F) – DoT/ALT/Delegation/ 2005 on the subject cited above.

The fixing of rate of honorarium for the guest lectures of Department officers from DOT/ DOP/ MTNL/ BSNL and guest lectures from outside faculty has been considered and the competent authority has approved the following rates for delivering lectures at the Seminar/ Training courses conducted by DoT, Training Finance, ALTTC Campus, Ghaziabad on the lines of the rates prevailing for the Wireless Monitoring Training and Development Centre, Ghitorni, New Delhi:

- i) Guest lectures of Department Officers - Rs.150/- per lecture of 75 minutes duration
- ii) Guest lectures from outside faculty - Rs.200/- per lecture of 75 minutes duration

The above rates are subject to the annual ceiling limit honorarium of Rs. 2500/-.

Department of Expenditure No. 8/4/E.II(A)/05 dated 29.03.2006**Subject: Amendment to General Financial Rules, 2005**

The undersigned is directed to refer to CVC's guidelines issued vide No. 98/ORD/1 dated 3rd August 2001 banning post-tender negotiations except with L-1 bidder (H-1 in case of sale of materials) and to make necessary amendment in Rule 198(ii)(d) of the GFRs, 2005, in line with CVC's guidelines. Also, in order to avoid delay in sanction/ release of grant-in-aid for the relevant years to the grantee institutions, it has been decided to amend Rule 209(6)(viii) and Rule 212(1) of General Financial Rules, 2005. A copy of the amendment is enclosed.

2. Ministry of Home Affairs etc. are requested to bring these amendments to the notice of all their attached and subordinate offices for their information.
3. Hindi version of this O.M. will follow.

AMENDMENT TO GENERAL FINANCIAL RULES, 2005

CHAPTER 7 RULE 198, Clause(ii)(d)

Substitute the existing clause of this Rule by the following:-

(ii)(d) The bid of the highest acceptable responsive bidder should normally be accepted. However, if the price offered by that bidder is not acceptable, negotiation may be held only with that bidder.

CHAPTER 9 RULE 209 (6) (viii)

In Rule 209(6) (viii) for the period "a year", the period "two years" shall be substituted.

CHAPTER 9 RULE 212(1)

Substitute the existing second para of this Rule by the following para:

"In respect of recurring grants, Ministry or Department concerned should release any amount sanctioned for the subsequent financial year only after Utilization Certificate on provisional basis in respect of grants of the preceding financial year is submitted. Release of grants-in-aid in excess of 75% of the total amount sanctioned for the subsequent financial year shall be done only after the Utilization Certificate and the Annual Audited Statement relating to grants-in-aid released in the preceding year are submitted to the satisfaction of the Ministry/ Department concerned. Ministry or Department would, however, ensure even flow of expenditure throughout the year. Reports submitted by the Internal Audit parties of the Ministry or Department and inspection reports received from Indian Audit and Accounts Department and the performance reports, if any, received for the year should also be looked into while sanctioning further grants."

Department of Expenditure No. 8(5)/E.II (A)/2006 dated 07.07.2006**Subject: National e-Governance Plan (NeGP): Implementation of e-Procurement in Ministries/ Departments**

The National e-Governance Action Plan since approved by the Government seeks to lay the foundation and provide the impetus for long term growth of e-governance within the country. The Plan seeks to create the right governance and institutional mechanism, set up the core infrastructure and policies, and implement a number of Mission Mode Projects at the Centre, State and integrated service levels to create a citizen-centric and business-centric environment for governance.

2. An Apex Committee has been set up under the chairmanship of Cabinet Secretary to review the implementation of Mission Mode Projects under the NeGP.
3. In the recent meeting of the Apex Committee held on June 13, 2006, it was, inter-alia, decided that all Departments/ PSUs may ensure that procurements above a certain threshold value (in financial terms) are necessarily undertaken through e-Procurement. The appropriate threshold value for this purpose may be finalized by the Ministries/ Departments concerned in consultation with their Integrated Finance Division (IFD).
5. All Ministries/ Departments are, accordingly, advised to ensure compliance of the above instructions under intimation to this Department.

Department of Expenditure F. No. 7(3)/ E. Coord./2006 dated 08.08.2006

Subject: Expenditure Management – Ensuring Even Flow of Expenditure and Observance of Conditions for Release of Funds

1. Attention is invited to paragraphs 14-16 of this Department's OM no. F. No.7(2)/E. Coord./ 2005 dated November 23, 2005 and Paragraph 4 of the OM no. 7(3)/E. Coord./2006 dated July 22, 2006 regarding observance of discipline in release of funds.
2. After a review of pace of expenditure, it has been decided to implement the above as follows:
 - a) As already prescribed, no further releases be made until all the utilization certificates, which have fallen due to the concerned Ministry/ Department, have been received.
 - b) The existing guidelines providing for releases of funds to States under certain schemes in two instalments may be reviewed immediately. The second instalment amount could be further sub-divided according to the seasonality of the programme, and, of course, subject to the furnishing of utilization certification.
 - c) The unspent balances available with the States and implementing agencies must be taken into account before further releases are made.
 - d) No further transfers be made to a Reserve Fund until unspent balances in the Fund have been utilized.
 - e) The sanction for payment must clearly specify either that the payee has no utilization certificates as due for rendition under the Rules under any scheme of the Ministry/Department, or that the payment has been authorized by D/o Expenditure.
 - f) For any deviation from the above, the case should be referred to the D/o Expenditure.
 - g) The Chief Controller of Accounts must ensure compliance to the above as part of parliament scrutiny.
 - h) A report on cases of deviations may be included in the quarterly report to be sent by this Financial Advisers, as contemplated in paragraph 6 of the OM No. 7(3)/ E.Coord./2006 dated July 22, 2006.

DOT No. 6-1/2000-Fin. dated 21.09.2006

Subject: Expenditure Management-Economy Measures, Rationalization of Expenditure and Measures for Augmentation of Revenues

Ministry of Finance, Department of Expenditure has issued OM No.7(3) E-Coord/2006 dated 22.7.2006 for expenditure Management Economy Measures, Rationalization of expenditure and measures for Augmentation of Revenues. The OM is available on the Website of Ministry of Finance, "finmin.nic.in".

All the PSUs/Units etc. of DoT are requested to download the same from the above address and ensure strict compliance.

The para relevant to the section are as below:

Para 2.1	DDG(FEB)
Para 2.2, 2.3	JS (Admn.)
Para 2.4	DDG(PG)
Para 2.5	DDG(IR), DDG(PIP), DDG(FEB), JS(A)
Para 2.6	Wireless Advisor, DDG(FEB), DDG(Estt.), JS(A), Sr.DDG(TEC)
Para 2.7	Wireless Adviser, DDG(IR)
Para 2.8	Wireless Adviser, Sr.DDG(TEC), DDG(FEB), DDG(Estt.), JS(A)
Para 2.9	DDG(Accounts), DDG(LR), JS(A)
Para 2.10	DDG(Accounts), JS(A)
Para 3	Wireless Adviser, Administrator (USO), DDG(FEB)
Para 4	Wireless Adviser, Administrator (USO), DDG(FEB), DDG(Accounts)
Para 5	Wireless Adviser, Administrator (USO), DDG(FEB)

Department of Expenditure No. 7(3) E-Coord./2006 dated 22.07.2006 referred to above**1. Background**

1.1 With a view to containing non-developmental expenditure, and thereby releasing additional resources for meeting the objectives of priority schemes, particularly under the NCMP, Ministry of Finance has been issuing guidelines on 'Austerity Measures' in the Government from time to time. Such measures are intended at promoting fiscal discipline, without restricting operational efficiency of the Government. Last such instructions were issued vide OM No.7(2)/E.Coord/2005 on November 23, 2005.

1.2 Now, due to unforeseen developments resulting in additional demands which have been made post budget on the

Central exchequer, it has become imperative to curtail and rationalize Government expenditure, and in particular, to avoid ostentatious and superfluous expenditure. Economy measures are called for, inter alia, in day to day planning and functioning of the Government, in observance of discipline in the fiscal transfer to States, Public Sector Undertakings etc., and augmentation of revenues. With these objectives in view, the following additional guidelines are issued regarding austerity measures with immediate effect as enumerated in the succeeding paragraphs.

2.1 5% Mandatory Cut on non-Plan Expenditure

For the year 2006-07, every Ministry/ Department shall make a mandatory 5% cut on non-Plan expenditure excluding interest payment, repayment of debt, Defence capital, salaries, pension and the Finance Commission grants to the States. No re-appropriation of funds to augment the non-Plan heads of expenditure shall be allowed during the current financial year. Financial Advisers shall review implementation of this cut on quarterly basis and report to the administrative Secretary and the Minister and the Department of Expenditure.

2.2 Economy Measures

Various Government offices under Central Government shall make every effort to avoid ostentatious and unnecessary expenditure. Day to day functioning of Government offices shall be managed with utmost economy in operating expenses such as maintenance of buildings, office equipments, transport, communication, conservancy, stationery, furniture, hospitality and furnishings at the offices/offices at residences.

2.3 Vehicles

No new vehicles shall be purchased even for replacement of condemned vehicles. The requirement of vehicles shall be met through hiring on medium term basis excepting in the Armed Forces etc. where the scope for hiring of vehicles is limited. There shall not be any fresh appointment of drivers. Excess drivers in any Ministry/ Department shall be either sent to the Surplus Cell or else utilized by hiring of vehicles without drivers. Purchase of new vehicles shall only be permitted in respect of new organizations and that too at the senior most levels in such organizations.

2.4 Telephone

The norms for usage of telephone at offices, residence and cellphone are already in place. All the offices in Government of India shall adhere to these norms and excess expenditure over and above the norms shall be borne by the individual users.

2.5 Seminars and Conferences

Utmost economy would be observed in organizing Conferences/ Seminars/ Workshops. The prescribed expenditure limit with respect to these should be strictly enforced. Only such Conferences/ Seminars/ Workshops, which are absolutely necessary, should be held. Holding of exhibitions/ seminar/ conferences abroad is strongly discouraged, except in the case of exhibitions for trade promotion.

2.6 Ban on Creation of Plan and non-Plan Posts

2.6.1 The existing ban on creation of posts should be enforced strictly. Any unavoidable proposal for creation of Plan/non-Plan posts, including Group A, B, C and D posts, shall continue to be referred to the Ministry of Finance (Department of Expenditure) for approval. In such unavoidable proposals, creation of post should invariably have a support of matching financial saving by adjustment, by abolition or keeping in abeyance of post(s) from the establishment strength of the Ministry/ Department. DoPT's extant O.M. No. 2/8/2001-PIC dated May 16, 2001 regarding optimization would continue to be in force and shall be strictly adhered to.

2.6.2 Every Ministry/ Department shall undertake a review of all the posts in the Ministry/ Department and in the attached and subordinate offices and make available the outcome of such review and full details of vacant posts to the Department of Expenditure in a time bound manner. The posts that have remained vacant for more than a year shall not be revived except under very rare circumstances, after seeking clearance of the Department of Expenditure.

2.7 Foreign Travel

There is a need to prune down expenditure on foreign travel. It would be the responsibility of Secretary of each Ministry/ Department to ensure that foreign travel is restricted to most necessary and unavoidable official engagements and extant instructions with respect to foreign deputation are strictly adhered to. Following instructions with respect to foreign travel would need to be strictly adhered to:

(i) No proposal for participation in workshop/ conference/ seminar/ presentation of papers abroad at Government cost shall be entertained. With respect to these, only those proposals which are 100% funded by sponsoring agencies may be considered keeping in view the public interest and Government business at home.

(ii) No officer should undertake more than 4 official visits abroad in a year. If in certain Ministries, nature of work demands a larger number of visits, a calendar of visits for the entire year would be prepared as far as possible, and visits should be prioritized. The proposal relating to the visits exceeding the fourth by an officer, detailed justification would need to be taken and such visit would be allowed in more exceptional cases.

(iii) The number of 'goodwill visits' is to be severely restricted except under extraordinary circumstances. Such restriction will not apply to 'goodwill visits' undertaken by the President, Vice-President, Prime Minister, Speaker of the Lok Sabha and members of the Higher Judiciary.

(iv) The size of the official delegation where foreign travel is essential will be restricted to the bare minimum. Normally a visit shall not exceed 5 days.

2.8 Transfer Policy

The transfer policies and the frequency and the periodicity of transfers of officials, whether within the country or overseas, shall be reviewed as frequent transfers cause avoidable instability, resulting in inadequate development of expertise and grasp of the responsibilities, besides resulting in avoidable expenditure. All Ministries, including Ministry of External Affairs, shall review the policies with a view to ensuring reasonable tenures at posting within the overall policy framework, thereby reducing the expenses on allowance and transfers.

2.9 Use of Information & Communication Technology

Increased use of Information and Communications Technology should be further encouraged, with a view to ensuring better utilization of resources available with the Government and improved delivery of public services. Cabinet Secretariat is already monitoring the progress in this behalf. Ministries/ Departments will immediately complete preparing roadmaps of systems development in this regard, keeping present and future user requirements in view. All Ministries/ Departments shall introduce e-procurement to reduce cost and improve deficiency in procurement. Similarly, the Ministries/ Departments shall also encourage and ensure payments through e-payment mechanism by way of direct transfer to beneficiary account.

2.10 Advances for Schemes/ Projects

It has been observed that a large number of Government agencies viz. Autonomous bodies/ PSUs tend to have large cash balances, mainly contributed by advance payments from Ministries/ Departments of the Government. Rule 159(1) of GFR 2005 deals with advance payments. With reference to that Rule, it is advised that all advance payments to implementing agencies for any scheme/ project/ acquisition shall be limited upto 10% of the approved financial outlay in the current fiscal year. Subsequent payments should be strictly related to deliverables/ milestones. This restriction shall be applicable in the case where expenditure is effected through a contract. Advances to grant-in-aid to institutions shall be kept out of the ambit of this restriction.

3. Formulation of Schemes and their Implementation

3.1 Eleventh Five Year Plan is to commence from April 1, 2007. Therefore, it is imperative that all ongoing schemes, both Plan and non-Plan, are carefully scrutinized and evaluated to determine their continued relevance. The Ministries/ Departments in conjunction with Planning Commission shall undertake this exercise immediately and determine as to which schemes and projects have outlived their relevance/ utility/ effectiveness. The resultant release of funds should become available to the Ministries for augmentation of provisions for effective and efficacious schemes.

3.2 While formulating new schemes, better service levels for the targeted beneficiaries, need for improvements in service delivery and the control of wastage in running programmes should invariably be factored in and considered by the appraising agency responsible for its pre-sanction appraisal. The on-going schemes may also be reviewed keeping this objective in view.

3.3 Additional expenditure over and above the prescribed approved ceilings for individual schemes shall not be permitted, Ministries/ Departments should also ensure that no fresh financial commitments are made, which are not provided for in the Budget approved by the Parliament. In case a Ministry/ Department wishes to extend a scheme beyond approved outlay or seek additional allocations, it will have to indicate matching savings from some other schemes/ projects under the relevant budget 'Demand' under its administrative control.

3.4 While formulating budget proposals, the Ministries/ Departments should lay greater emphasis on explicit recognition of revenue constraints and should make only a realistic projection of budgetary provisions required for various projects/ schemes. All procedures laid down for approving for releasing and for incurring expenditure on schemes, both Plan and non-Plan, should be followed scrupulously and without any deviation.

3.5 Each Ministry/ Department would be expected to keep an account of the savings resulting from the above-mentioned measures implemented in the Ministry/ Department. Secretaries to Government and Financial Advisers will monitor the progress in this regard and will bring the progress/ bottlenecks to the notice of the Ministers-in-charge as well as the

Ministry of Finance.

3.6 All Ministries/ Departments should ensure that any scheme proposed by them is commercially viable and carries an internal rate of return not less than the rate prescribed. Wherever such returns are not prescribed, the overall cost benefit of the scheme should be assessed in qualitative terms. Only those schemes should be taken up in which a positive cost benefit ratio is clearly manifest.

3.7 Strict monitoring and fixing of accountability for delays in the implementation of schemes and projects that lead to major cost overruns and revised estimates, should be established.

4. Observance of Discipline in fiscal transfers to States, Public Sector Undertakings and Autonomous Bodies at Central/ State/ Local Level

4.1 No amount will be released to any entity (including State Governments), which has defaulted in furnishing utilization certificates for grants-in-aid released by Central Government in the past without clearance from the Ministry of Finance.

4.2 Ministries/ Departments will not transfer funds under any Plan schemes in relaxation of conditionalities attached to such transfers (such as matching funding). Where a scheme contemplates a prior determination of each State's entitlement to Central Budget and support, the actual disbursements will be limited to these entitlements. Specifically, it will not be open to any Ministry/ Department to release excess funds to any State by diverting "savings" in respect of another State as the practice tends to aggravate imbalances.

4.3 The State Governments are required to furnish monthly returns of Plan expenditure – Central, Centrally Sponsored or State Plan – to respective Ministries/ Departments along with a report on amounts outstanding in their Public Account in respect of Central and Centrally Sponsored Schemes. This may be scrupulously adhered to.

5. Encouraging Additional Revenue, Internal Resource Generation and Cost Reduction

5.1 With a view to encouraging greater effort at garnering revenues to the Government, schemes would be evolved by the revenue generating/ earning/ collecting Ministries/ Departments on the principle of an amount equal to 1% of the incremental revenue being earmarked as incentive provision in the next year's budget for enhancing the organizational efficiency, infrastructure and wherewithal. Each department willing to participate will work out the details of relevant schemes based on this principle of enhanced provisions for augmenting operational efficiency arising out of the incremental revenues earned beyond the budget targets, and submit for the approval of the competent authority and the Ministry of Finance (Department of Expenditure) by December 31, 2006. Similarly, schemes would also be considered for achieving economy in expenditure against an identified benchmark.

5.2 In view of the large scale borrowing by Food Corporation of India, Department of Food shall, with the help of Ministry of Finance, make every endeavour to reduce interest cost either by borrowing at competitive rates or accessing credit through alternative mechanisms.

5.3 Department of Food shall further take up with all the States concerned the necessary measures so that procurement of food is completely exempt from local taxes and levies.

6. Compliance

Secretaries of the Ministries/ Departments being the Chief Accounting Authorities as per Rule 64 of GFR shall be fully charged with the responsibility of ensuring compliance of the measures outlined at paras 2 to 5 above and send to the Department of Expenditure a monitoring report regarding the impact of steps taken in respect of economy measures, the rationalization of expenditure and augmentation of revenues.

Financial Advisers shall assist respective Departments in securing compliance to these measures and also submit overall report to the Minister-in-charge and to the Ministry of Finance on a quarterly basis regarding various actions that need to be taken on these measures.

**Department of Expenditure No. 12(1)/E.II(A)/04 dated 13.10.2006
(Circulated vide DOT No. 7/28(1)/2007-PAT dated 29.08.2007)**

Subject: Grant of Advances for Purchase of Moped and Personal Computer – Revision in Norms reg.

The undersigned is directed to say that the demands of staff side of JCM for revision in eligibility limits for grant of advance for purchase of Moped and Personal Computer has been under consideration of the Government. It has now been decided to revise the norms for purchase of Moped and Computer advance as per the amendment enclosed.

2. These orders will take effect from the date of issue.

3. All the Ministries/ Departments are requested to bring the amendments to the notice of their attached and subordinate offices for their information and necessary action.

(Dr. S.C. Pandey)
Officer on Special Duty
(Policy & Coordination)

To: All Ministries/ Departments of GOI

Amendments to Compendium of Rules on Advances to Government Servants

GENERAL CONDITIONS OF GRANT OF ADVANCES FOR THE PURCHASE OF CONVEYANCES

In Rule 17:

A new clause as Sl. No.(iv) is inserted as under :

"(iv) Notwithstanding the condition stated at (iii) above, an advance up to Rs. 20,000/- or the anticipated price, whichever is less may be sanctioned by the competent authority for purchase of Moped to Government Servants having basic pay plus dearness pay below Rs. 6900/- per month."

CONDITIONS OF GRANT OF COMPUTER ADVANCE

Rule 21(5)

In Rule 21(5), the following may be added at the end of the Rule:

"However, an advance not exceeding Rs. 30,000/- or the anticipated price (excluding customs duty, if any) whichever is less, may be sanctioned to Government servants for purchase of Personal Computer whose basic pay plus Dearness Pay is not less than Rs. 6900 and who are not eligible for grant of motor car advance in terms of Rule 17(ii) of the Compendium."

DOT No. 21-1/2006-G-II (Pt) dated 12.12.2006

Subject: **Serving of Refreshment during Meeting**

Order dated 22.9.1999 (copy enclosed)* already empowers Sr. DDsG/ DDsG and officers equivalent and above in DOT (HQs), *inter-alia*, to serve lunch or snacks in official meetings where outside organizations/ field units are participating. With a view to streamlining the arrangement of serving lunch/ snacks in official meetings, it has been decided as under:

(i) Supply of refreshment for official meetings chaired by MOC&IT/ MOS (C&IT)/ Chairman(TC)/ AS(T)/ JS(A)/ JS(T)/ Officers of and above the level of Joint Secretary concerned with Administration Division of DOT(HQs)

Requisition for serving of lunch/ snacks in the enclosed proforma shall be signed by the personal staff of these officers affixing their rubber stamp and sent directly to the Section Officer, G.II Section. Section Officer, General-II Section shall make necessary arrangements for serving lunch/ snacks for official meetings as per the requisition following all orders on the subject. The amount shall be met out of the imprest amount drawn by Section Officer, General-II.

(ii) Supply of refreshment for official meetings chaired by officers of and above the level of DDG in respect of other Divisions of the DOT

The arrangement for serving lunch/ snacks in the official meetings shall be made by the officers/ staff of the concerned Division as may be designated by the Sr. DDsG/ DDsG and officers equivalent and above who have been empowered vide order dated 22.09.1999. The amount shall be met out of the imprest amount drawn by the officer designated by such officers in pursuance of the order dated 22.09.1999.

This issues with the approval of JS (T).

(S.E. RIZWI)
Under Secretary (T)

* Printed above.

Secretary, Deptt. of Expenditure D.O. No. 7(3)/2006/E.Coord dated 21.12.2006

I write to highlight some of the important initiatives taken for improvement in public expenditure management and also to share the concerns and priorities that lie ahead in this direction.

- Revised Charter for Financial Advisers and (Chief) Controllers of Accounts was issued vide OM no. 5(6)/L&C/2006

dated June 1, 2006 with a view to redefine their role, responsibilities and accountability, authority and facilitate capacity-building.

- Economy Instructions were issued vide No. 7(3)/2006/E-Coord dated July 22, 2006, followed by supplementaries/clarifications vide OM No. 7(3)/2006/E-Coord dated August 8, 2006, OM No. 23(2)/2006/E-Coord dated August 18, 2006, October 30, 2006 (Pt I, II & III) and OM No. 7(3)/2006/E-Coord dated December 7, 2006.
- Manuals on 'Works', 'Consultancy' and 'Goods' have been finalized and circulated to all Ministries/Departments. (August 31, 2006 and November 7, 2006)
- The Finance Secretary impressed upon the need of strengthening Internal Audit in the Ministries/Departments vide his D.O letter No. 3(11)/06 (L&C) dated September 4, 2006 and the C&AG of India was requested to constitute a Task Force to benchmark the status of Internal audit and suggest roadmap of reforms. The report of the Task Force has recently been received.
- Revised guidelines were issued for preparation of Outcome Budget 2007-08 vide OM No. F.No. 2(1)Pers/E-Coord/OB/2005 dated December 12, 2006 merging the performance budget and the outcome budget into a single document; requiring the Ministries to link release of funds with progress in achieving monitorable physical progress and putting in place formal monitoring mechanisms to monitor progress against commitments made in the Outcome Budget.

2. During pre-Budget meetings, the need of observance of 33% ceiling on expenditure during the last quarter; reduction in unspent balances and outstanding utilization certificates; and observance of conditionalities, rules and procedures in incurring expenditure has been repeatedly emphasized. While the follow up action on the above will continue, it is felt that the following initiatives should be taken at the earliest.

3. Further modernization of financial management system should be given a high priority, considering the increased level of public expenditure in a decentralized manner. The Financial Advisers should pro-actively review the status of e-banking and e-procurement in the respective Ministries/ Departments and apprise us on the achievements thereon.

4. Sound expenditure management begins with control and monitoring of commitments to expenditures. Ministries/ Departments may consider putting reporting systems in place to give the Secretary a regular feedback on build-up of commitments such as the following: (We look forward to specific suggestions in other areas where formal systems of commitment tracking may be introduced.)

- (i) Unpaid bills for goods/services received.
- (ii) Undischarged liability under contracts that prevents space for taking up new activities.
- (iii) Carry forward liability of funds requirements to complete on-going works that would be a priority charge on future budgets and would reduce the scope of undertaking new projects.

5. Avoidance of rush of expenditure towards the end of the financial year continues to be an area of concern. Presently, not more than one-third of the Budget Estimates may be spent in the last quarter of the financial year. It is considered necessary to fine tune this further for controlling expenditure in the last month of the year. Accordingly, it is being stipulated that during the month of March, the expenditure should be limited to 15% of the Budget Estimates. Detailed instructions are being issued by the Budget Division. All the Ministries /Departments would be required to adhere to these guidelines.

6. It is necessary to ensure that as far as practicable the cheques issued in a financial year are encashed within the financial year. Further, all cheques/ bank drafts should be delivered to the payees or dispatched on or before 31st March. Exact measures to be taken may be decided locally. These may include a combination of (a) surrender of cheque books; (b) certified reports to be given to higher authorities by 31st March on last cheque/ draft issued/ dispatched/ delivered; and (c) a ban on issue of cheques on 31st March. It is expected that use of cheques should in any case decline, with increasing resort to electronic transfer of funds to payees. The Ministries/ Departments are advised to review their payment systems with these considerations in mind and have appropriate internal checks in place.

7. It is also considered desirable that in the last month of the year, payments may be made only for the goods and services actually procured and for reimbursement of expenditure already incurred. Hence, no amount should be released in advance (in the last month), with the exception of the following:

- (i) Advance payments to contractors under terms of duly executed contracts as the Government would not renege on its legal, contractual obligations.
- (ii) Any loans or advances to Government servants etc. or private individuals as a measure of relief and rehabilitation as per service conditions or on compassionate grounds.
- (iii) Any other exceptional case with the approval of the Financial Adviser. However, a list of such cases may be sent by the FA to the Department of Expenditure by 30th April for information.

8. Considering substantial improvement in the ways and means position of the States and the pressing need to reduce the

prevalence of unspent balances, regular recipients of Central budgetary support may be encouraged to switch over to claiming frequent reimbursement. To assist them, a rolling advance may be initially given. We would liberally support pilot projects and selected schemes for coverage under such reimbursement-based financing system.

9. It has been observed that with convergence and consolidation of Government intervention into major programmes, budget outlays for these have increased substantially. However, the schemes guidelines and practices regarding release of funds have not been modified to allow for more staggered releases. This results in uneven flow and front loading of expenditures. Ministries/ Departments should review existing arrangements in this regard and ensure that wherever schemes entail advance releases, and budget allocations are large, such advances should appropriately be released in at least four installments during the year subject also to fulfillment of the conditionalities attached to the further release of such funds. This norm will be applicable with effect from 2007-08. Particular attention is invited to stipulations contained in the 'Outcome Budget circular' (OM No. F.No.2(I)Pers/E-Coord/ OB/2005 dated December 12, 2005 requiring the Ministries to link release of funds with progress in achieving monitorable physical progress against commitments made in the Outcome Budget.

DOT No. 7-5/2001-F&A(Pt.1) dated 05.06.2007

In the recent past there has been a rise in the number of cases of request for sanction of honorarium to the staff working in this department. To contain the expenditure incurred on the same, in compliance with the Ministry of Finance austerity instructions, a review has been made by the competent authority and it has been decided that since budget for 2006-07 under honorarium head has already lapsed, no honorarium for the last year will be given during this year.

Further, the following instructions from Department of Personnel and Training and Ministry of Finance are reiterated for strict compliance:

- 1) As per FR 46 (b)
 - i) Either the Central Government may grant or permit a Government servant to receive an honorarium as remuneration for work performed which is occasional or intermittent in character and either so laborious or of such special merit as to justify a special reward. Or
 - ii) Except when special reasons, which should be recorded in writing, exist for a departure from this provision, sanction to the grant of acceptance of an honorarium should not be given unless the work has been undertaken with the prior consent of the Central Government and its amount has been settled in advance.
- 2) The following items are excluded for the payment of honorarium as per the instructions contained in Dept. of Personnel and Training OM No 17011/3/97Estt. (Allowances), dated the 17th July 1998:
 - a) Compilation of demand for grants and preparation of Budget Estimates (Except Budget work of the Budget division of Department of Economic Affairs.)
 - b) Dealing with Parliament questions.
 - c) Convening of DPCs for confirmation, promotion, etc.
 - d) Incentives to personal staff of Ministers or to other officers and staff for meritorious work such as working for long hours.
 - e) Condemnation and disposal of unserviceable office stores.
 - f) Work relating to the issue of award of printing contract.
 - g) Closing of annual GPF accounts/preparation of GPF statements (Except in the Indian Audit and Accounts Department where these items of work have not been taken into account while fixing staff norms.)
 - h) Calculation of Income Tax.
 - i) Work relating to the reviewing, weeding and transfer of old records.
 - j) Preparation of bills for payment of onus.
 - k) Preparation of annual report.
 - l) Preparation of bills for D.A. arrears.
 - m) Preparation/Typing of Lists of files to be sent to departmental Record Room/National Archives and similar other typing work.
 - n) Stock verification of Stationary Stores.
 - o) Supervising the job of vacating the stores and arranging segregation.
 - p) Opening new pay bill ledgers.
 - q) Taking out photocopies of various, documents.
 - r) Special work in arbitration case.
 - s) Work relating to confidential reports.
 - t) Work relating to preparation of CGHS cards.
 - u) Normal work relating to the Hindi translation.
 - v) Performing work relating to clearance drives.
 - w) Exemplary work of commendable nature and devotion to duty.
 - x) Work connected with celebration e.g., anniversaries of setting up of Autonomous Bodies/ Organizations, etc., under Ministries/ Departments.

It is therefore requested that while sending proposals for grant of honorarium all necessary instructions as above may kindly be followed and the case submitted with required certificates.

This has the approval of the competent authority.

DOT No. 7-5/2001-F&A dated 18.06.2007

Orders were issued vide no. 4-1/93-FC dated 2nd Dec. 1994 delegating certain financial powers to the officers of Telecom Directorate to exercise the same without consulting the Integrated Finance Advice Branch. Further delegation of powers in respect of procurement relating to IT assets were considered and it has been decided to delegate the following powers to the DDG(C&A) and Additional Secretary (T) to the extent indicated in the table below without consulting Integrated Finance Advice Branch.

Sl. No	Item	Limit per occasion	Approving Authority
1.	Procurement of IT goods and consumables as per the provisions of Rules 145 and 146 of GFR 2005	Rs. 1 lakh on each occasions with annual limit of Rs. 10 lakhs	DDG (C&A)
2.	Procurement of IT goods and consumables through DGS&D	Rs. 5 lakhs on each occasion with annual limit of Rs. 10 lakhs	AS (T) through DDG (C&A)
3.	With Tender in accordance with the provisions of Rules 150 and 151 of GFR 2005	Rs. 5 lakhs	DDG (C&A)
4.	With Tender in accordance with the provisions of Rules 150 and 151 of GFR 2005	Rs. 10 lakhs	AS (T)

The procurement beyond the above limits and single source tender may be made with the concurrence of Finance Division

The exercise of these financial powers will be subject to observance of all the usual terms and conditions as laid down in the schedule of financial powers of the officers of the Department of Telecommunications and provisions of General Financial Rules, economy instructions issued by the Finance Ministry, Fiscal code, procedure and availability of funds as per the budgetary allocations of the year under the relevant head of account. These orders are effective from the date of issue.

Department of Expenditure No. 7(2) E-Coord/2007 dated 17.09.2007
To all Secretaries to the Government of India

OFFICE MEMORANDUM

Subject: **Expenditure Management – Economy Measures and Rationalization of Expenditure**

1. Background

1.1 With a view to containing non-developmental expenditure, and thereby releasing additional resources for meeting the objectives of priority schemes, Ministry of Finance has been issuing guidelines on 'Austerity Measures' in the Government from time to time. Such measures are intended at promoting fiscal discipline, without restricting operational efficiency of the Government. The last such instructions were issued vide OM No. 7(3)/E.Coord/2006 on July 22, 2006.

2.1 5% Mandatory Cut on Non-Plan Expenditure

For the year 2007-08, every Ministry/ Department shall make a mandatory 5% cut on non-Plan expenditure excluding interest payment, repayment of debt, Defence capital, salaries, pension and the Finance Commission grants to the States. No re-appropriation of funds to augment the non-Plan heads of expenditure shall be allowed during the current financial year. Financial Advisers shall review implementation of this cut and report to the administrative Secretary and the Minister and the Department of Expenditure periodically.

2.2 Economy Measures

Various Government offices under Central Government shall make every effort to avoid ostentatious and unnecessary expenditure. Day to day functioning of Government offices shall be managed with utmost economy in operating expenses such as maintenance of buildings, office equipments, transport, communication, conservancy, stationery, furniture, hospitality and furnishings at the offices/ offices at residences, etc.

2.2.1 Publicity

The Ministries/ Departments should regulate their advertisements and publicity campaigns to provide effective coverage and communication of public interest issues with utmost economy, so as to maximize effectiveness of expenditure. The adoption of a particular medium of communication may be carefully planned with a view to optimally utilizing advertising space or time for dissemination of information on Government programmes, where considered necessary.

2.3 Vehicles

No new vehicles shall be purchased even for replacement of condemned vehicles. The requirement of vehicles shall be met through hiring on short/ medium term basis excepting in the Armed Forces etc. and internal security apparatus where the scope for hiring of vehicles is limited. There shall not be any fresh appointment of drivers. Excess drivers in any Ministry/ Department shall be either sent to the Surplus Cell or else utilized by hiring of vehicles without drivers. Purchase of new vehicles shall only be permitted in respect of new organizations on a case-to-case basis.

2.4 Telephone

The norms for usage of telephone at offices, residence and cell phones are already in place. All the offices in Government of India shall adhere to these norms and excess expenditure above the prescribed limits shall be borne by the individual users.

2.5 Seminars and Conferences

Utmost economy would be observed in organizing Conferences/ Seminars/ Workshops. The prescribed expenditure limit with respect to these should be strictly enforced. Only such Conferences/ Seminars/ Workshops, which are absolutely necessary, should be held. Holding of exhibitions/ seminar/ conferences abroad is strongly discouraged, except in the case of exhibitions for trade promotion.

2.6 Ban on Creation of Plan and Non-Plan Posts

2.6.1 The existing ban on creation of posts should continue to be enforced strictly. Any proposal for creation of Plan/ non-Plan posts, considered unavoidable, shall continue to be referred to the Ministry of Finance (Department of Expenditure) for approval. In such cases, creation of post should invariably be accompanied by the support of matching financial saving by adjustment, by abolition or keeping in abeyance of post(s) from the establishment strength of the Ministry/ Department. DoPT's extant O.M. No. 2/8/2001-PIC dated May 16, 2001 regarding optimization would continue to be in force and shall be strictly adhered to.

2.6.2 Every Ministry/ Department shall undertake a review of all the posts in the Ministry/ Department and in the attached and subordinate offices and make available the outcome of such review and full details of vacant posts to the Department of Expenditure in a time bound manner. Posts that have remained vacant for more than a year shall not be revived except under very rare circumstances, after seeking clearance of the Department of Expenditure.

2.7 Foreign Travel

There is a need to prune down expenditure on foreign travel. It would be the responsibility of Secretary of each Ministry/ Department to ensure that foreign travel is restricted to most necessary and unavoidable official engagements and extant instructions with respect to foreign deputation are strictly adhered to. Following instructions with respect to foreign travel would need to be strictly adhered to:

(i) No proposal for participation in workshop/ conference/ seminar/ presentation of papers abroad at Government cost shall be entertained. With respect to these, only those proposals which are 100% funded by sponsoring agencies may be considered keeping in view the public interest and Government business at home.

(ii) No officer should undertake more than 4 official visits abroad in a year. If in certain Ministries, nature of work demands a larger number of visits, a calendar of visits for the entire year would be prepared as far as possible, and visits should be prioritized. For the proposal relating to the visits exceeding the fourth by an officer, detailed justification would need to be furnished and such visit would be allowed in more exceptional cases depending on functional need.

(iii) The number of 'goodwill visits' is to be severely restricted except under extraordinary circumstances. Such restriction will not apply to 'goodwill visits' undertaken by the President, Vice-President, Prime Minister, Speaker of the Lok Sabha and members of the Higher Judiciary.

(iv) The size of the official delegation where foreign travel is essential will be restricted to the bare minimum. Normally a visit shall not exceed 5 days.

(v) Foreign visits should be so regulated as to ensure that each Ministry remains within the allocated budget for the

same. Re-appropriation proposals on this account would not be approved.

2.8 Transfer Policy

Transfer policies and the frequency and the periodicity of transfers of officials, whether within the country or overseas, shall be reviewed as frequent transfers cause avoidable instability, resulting in inadequate development of expertise and grasp of the responsibilities, besides resulting in avoidable expenditure. All Ministries, including Ministry of External Affairs, shall review the policies with a view to ensuring reasonable tenures at posting within the overall policy framework, thereby reducing the expenses on allowance and transfers.

2.9 Use of Information & Communication Technology

Increased use of Information and Communications Technology should be further encouraged, with a view to ensuring better utilization of resources available with the Government and improved delivery of public services. The Cabinet Secretariat is already monitoring the progress in this behalf. Ministries/ Departments which have not so far prepared roadmaps of systems development in this regard, shall immediately do so, keeping present and future user requirements in view. The pace of transition to e-procurement should be stepped up (mandatory in respect of purchases effected under DGS&D rate contract). This would reduce cost and improve deficiency in procurement. Similarly, the Ministries/ Departments shall also encourage and ensure payments through e-payment mechanism by way of direct transfer to beneficiary account.

2.10 Advances for Schemes/ Projects

It has been observed that a large number of Government agencies viz. Autonomous bodies/ PSUs tend to have large cash balances, mainly contributed by advance payments from Ministries/ Departments of the Government. Rule 159(1) of GFR 2005 deals with advance payments. With reference to that Rule, it is advised that all advance payments to implementing agencies for any scheme/ project/ acquisition shall be limited upto 10% of the approved financial outlay in the current fiscal year. Subsequent payments should be strictly related to deliverables/ milestones. This restriction shall be applicable in the case where expenditure is effected through a contract. Advances to grant-in-aid to institutions shall be kept out of the ambit of this restriction.

3. Formulation of Schemes and their Implementation

3.1 While formulating new schemes for the Eleventh Five Year Plan, better service levels for the targeted beneficiaries, need for improvements in service delivery and the control of wastage in running programmes should invariably be factored in and considered by the appraising agency responsible for its pre-sanction appraisal. The on-going schemes may also be reviewed keeping this objective in view.

3.2 Additional expenditure over and above the prescribed approved ceilings for individual schemes shall not be permitted, Ministries/ Departments should also ensure that no fresh financial commitments are made, which are not provided for in the Budget approved by the Parliament. In case a Ministry/ Department wishes to extend a scheme beyond approved outlay or seek additional allocations, it will have to indicate matching savings from some other schemes/ projects under the relevant budget 'Demand' under its administrative control.

3.3 While formulating budget proposals, the Ministries/ Departments should lay greater emphasis on explicit recognition of revenue constraints and should make only a realistic projection of budgetary provisions required for various projects/ schemes. All procedures laid down for approving, for releasing and for incurring expenditure on schemes, both Plan and non-Plan, should be followed scrupulously and without any deviation.

3.4 Each Ministry/ Department would be expected to keep an account of the savings resulting from the above-mentioned measures implemented in the Ministry/ Department. Secretaries to Government and Financial Advisers will monitor the progress in this regard and will bring the progress/ bottlenecks to the notice of the Ministers-in-charge as well as the Ministry of Finance.

3.5 All Ministries/ Departments should ensure that any scheme proposed by them is commercially viable and carries an internal rate of return not less than the rate prescribed. Wherever such returns are not prescribed, the overall cost benefit of the scheme should be explicitly indicated. Only those schemes should be taken up in which a positive cost benefit ratio is clearly manifest.

3.6 Strict monitoring and fixing of accountability for delays in the implementation of schemes and projects that lead to major cost overruns and revised estimates, should be established.

4. Observance of Discipline in fiscal transfers to States, Public Sector Undertakings and Autonomous Bodies at Central/ State/ Local Level

4.1 No amount will be released to any entity (including State Governments), which has defaulted in furnishing utilization

certificates for grants-in-aid released by Central Government in the past without clearance from the Ministry of Finance.

4.2 Ministries/ Departments will not transfer funds under any Plan schemes in relaxation of conditionalities attached to such transfers (such as matching funding). Where a scheme contemplates a prior determination of each State's entitlement to Central Budget and support, the actual disbursements will be limited to these entitlements. Specifically, it will not be open to any Ministry/ Department to release excess funds to any State by diverting "savings" in respect of another State as the practice tends to aggravate imbalances.

4.3 The State Governments are required to furnish monthly returns of Plan expenditure – Central, Centrally Sponsored or State Plan – to respective Ministries/ Departments along with a report on amounts outstanding in their Public Account in respect of Central and Centrally Sponsored Schemes. This may be scrupulously adhered to.

4.4 The following specific steps may be adopted:

- (a) The unspent balances available with the States and implementing agencies must be taken into account before further releases are made.
- (b) No further transfers be made to a Reserve Fund until unspent balances in the Fund have been utilized.
- (c) The sanction for payment must clearly specify either that the payee has no utilization certificates as due for rendition under the Rules under any scheme of the Ministry/ Department, or that the payment has been authorized by D/o Expenditure.
- (d) For any deviation from the above, the case should be referred to the D/o Expenditure.
- (e) The Chief Controller of Accounts must ensure compliance to the above as part of pre-payment scrutiny.

5. Balanced Pace of Expenditure

5.1 Rush of expenditure towards the end of the financial year continues to be an area of concern. As per extant instructions, not more than one-third (33%) of the Budget Estimates may be spent in the last quarter of the financial year. It is considered necessary to fine tune this further for controlling expenditure in the last month of the year. Accordingly, the stipulation that during the month of March 2008 the expenditure should be limited to 15% of the Budget Estimates, is reiterated.

Instructions in cash management systems issued vide F. No. 21(1)-PD/2005 dated December 27, 2006 by Budget Division (DEA) may be scrupulously complied with.

5.2. It is also considered desirable that in the last month of the year; payments may be made only for the goods and services actually procured and for reimbursement of expenditure already incurred. Hence, no amount should be released in advance (in the last month) with the exception of the following:

- (i) Advance payment to contractors under terms of duly executed contracts so that Government would not renege on its legal, contractual obligations.
- (ii) Any loans or advances to Government servants etc. or private individuals as a measure of relief and rehabilitation as per service conditions or on compassionate grounds.
- (iii) Any other exceptional case with the approval of the Financial Adviser. However, a list of such cases may be sent by the FA to the Department of Expenditure by 30th April for information.

6. Re-appropriation within Approved Heads

Prior approval of Department of Expenditure is required for re-appropriation under a sub-head by Rs. 5 crore or more.

7. Compliance

Secretaries of the Ministries/ Departments being the Chief Accounting Authorities as per Rule 64 of GFR shall be fully charged with the responsibility of ensuring compliance of the measures outlined at paras 2 to 5 above and send to the Department of Expenditure a monitoring report regarding the impact of steps taken in respect of economy measures, the rationalization of expenditure and augmentation of revenues.

Financial Advisers shall assist respective Departments in securing compliance to these measures and also submit overall report to the Minister-in-charge and to the Ministry of Finance on a quarterly basis regarding various actions that need to be taken on these measures.

(Sanjiv Misra)
Secretary (Expenditure)

Sl. No.	Year	% Cut in NPE	When applied
1.	1999 - 2000	10%	05.08.1999

3.	2001 – 2002	Reiterated (OM of 24.09.2000 referred)	10.10.2001
4.	2002 – 2003	Referred to – (OM 24.09.2000 and 10.10.2001)	01.01.2003
5.	2003 – 2004	- No OM -	
6.	2004 – 2005	10%	24.09.2004
7.	2005 – 2006	Reiterated	23.11.2005
8.	2006 – 2007	5%	22.07.2006

F. Circulars and Orders Concerning Staff & Establishment

Department of Expenditure No. F. 14(14)-E(Coord)/77 dated 25.10.1977

Subject: Transfer of Posts within an Organization - Application of Ban Orders

The undersigned is directed to say that instances have come to notice when a post sanctioned for a specific purpose in an organisation is diverted for another purpose at the same or different station and/ or utilised as a standby to accommodate an officer awaiting posting orders or to make use of the services of an officer for some special item of work etc. Such diversion of posts obviously leads to the conclusion that the purpose for which the post was originally created has ceased to exist and diversion is effected to cope with some new item of work, notwithstanding the fact that such arrangement is within the same cadre/ organisation and/or at the same or different stations.

It has been decided that such cases of diversion/transfer/adjustment of posts would amount to creating new posts and therefore, attract the ban orders at present in force on creation of fresh posts – vide this Ministry's O.M. No. F. 14(4)-E(Coord)/ 77 dated 27th May 1977 - and prior clearance should be obtained at the appropriate level before resorting to such a practice.

Department of Expenditure No. 7(7)-E(Coord)/93 dated 03.05.1993

**Subject: -Economy in Administrative Expenditure of the Government
-Ban on Creation of Posts/filling up of Vacancies
-Guidelines for Processing of Cases**

The undersigned is directed to refer to this Ministry's O.M. No.F.7(1)-E.Coord/84 dated the 20th June, 1984 as amended from time to time on the subject indicated above and to state that instructions already exist for ban on creation/ filling up of posts and the procedure for relaxation thereof in exceptional circumstances.

Some doubts which arose in this regard were also clarified from time to time. Further clarifications are, however, being sought by various Ministries/ Departments etc. regarding the following two points. The matter has been considered in this Ministry and the correct position is clarified below against each point:

POINTS	CLARIFICATIONS
a) Whenever higher level posts are abolished, whether junior level posts are also to be abolished as a consequence thereof.	Yes, whenever higher level posts are abolished, it will be necessary to abolish personal/supporting staff of that higher level post(s) simultaneously. In addition to such abolition, it will also be desirable to have a work study conducted to determine what other restructuring and abolition of lower level posts would be required as a result of abolition of the higher post(s).
b) If a post is vacant or held in abeyance for some time, whether the post can be filled up or revived, as the case may be, by the administrative Deptt./ Ministry.	If a post is held in abeyance or remains unfilled for a period of one year or more, it would be deemed to be abolished. Integrated Finance of each Ministry/ Department may monitor abolition of such posts and ensure that abolition orders are issued within one month of the post remaining unfilled/ held in abeyance for the period of one year. If the post is required subsequently, the prescribed procedure for creation of new posts will have to be followed, i.e. as briefly set out below:
PLAN POSTS	
Group 'A' Posts	Approval of Finance Minister will be required.
Group 'B', 'C' & 'D' Posts	May be created with the approval of Secretary of the administrative Ministry/ Department provided: <ul style="list-style-type: none"> (i) The expenditure on establishment is within 10% of the project cost; (ii) The posts to be created are in conformity with the prescribed norms; and

	(iii) Group 'A' post(s), if necessary, have been approved by the Finance Minister.
NON-PLAN POSTS	
(i) Group 'A' Posts of and above the level of Joint Secretaries (Rs.5900-6700)	May be created with the approval of Cabinet after obtaining the approval of Finance Minister.
(ii) Group 'A' Posts of below the level of Joint Secretary and Group 'B', 'C' & 'D' Posts	May be created with the approval of Finance Minister. Creation/ filling up of posts both Plan and Non-Plan is to be done after the posts which have been found surplus as a result of review, have been abolished. For creation of Non-Plan posts matching savings are required, which should be by surrender of posts in the same group or of posts in the immediate line of promotion. Posts which are found justified on the basis of workload and functional justification can only be created.

2. All Ministries and Departments are requested to kindly note the above clarifications for strict compliance, particularly in view of the need for adopting austerity measures for containing Government expenditure in the present economic scenario. They may also issue instructions to their attached and subordinate offices (indicating U.T. Admn.) and monitor compliance. Autonomous Bodies under the control of Ministries/ Departments may also be asked to follow these clarifications *mutatis mutandis*.

3. Hindi version is enclosed.

Department of Expenditure No. 7(2)E.Coord/95 dated 30.05.1995**Subject: Procedure to be followed in regard to Creation/ Continuance of High Level Posts**

The undersigned is directed to refer to this Ministry's O.M. No. 7(17)-E.(Coord)/90 dated 28.3.90 on the subject indicated above and to clarify below the correct procedure as per latest instructions/practice for creation/continuance of high level posts:

Continuance:

Proposals for continuance of posts of Secretaries, Special Secretaries, Additional Secretaries and equivalent posts are required to be referred to the Department of Expenditure on file through IFA for examination/approval of the Secretary (E), Secretary (Personnel) and Cabinet Secretary. For continuance of the Secretary level Posts approval of the P.M. has also to be obtained by the administrative Ministry after Cabinet Secretary has cleared it. This need not be routed through the Ministry of Finance.

Creation:

(i) Proposals for creation of non-Plan posts of Secretaries, Special Secretaries, Additional Secretaries, Joint Secretaries or equivalents require the approval of the Cabinet (after offering matching savings by abolition of posts of the same group or in immediate line of promotion) and for this purpose administrative Ministries are required to prepare a Draft Note for the Cabinet and refer the same to the Department of Expenditure for examination and getting approval of the Finance Minister before the same is submitted by the administrative Ministry (after incorporating views of Finance Ministry) to the Cabinet for approval.

(ii) The proposals for creation of Plan posts of Secretaries and Special Secretaries also require the approval of Cabinet and the administrative Ministry is required to prepare a draft Note for the Cabinet and refer the same (after getting the approval of EFC/ PIB to the Scheme) to the Department of Expenditure for examination and getting approval of Finance Minister before the same is submitted by the administrative Ministry (after incorporating views of Finance Ministry) to the Cabinet for approval. Plan posts of Additional Secretaries, Joint Secretaries or equivalent posts could be created with the approval of the Finance Minister and proposals in this regard are required to be sent to the Department of Expenditure on file along with other lower Posts, if any, after EFC/ PIB's approval to the Scheme, with all requisite details/ information (including functional justification for the posts) through Integrated Finance for detailed examination and in Ministry of Finance.

iii) Proposals relating to continuance or creation of personal staff of the senior level posts should also be simultaneously projected.

Hindi version is enclosed.

DOPT OM No. 2/8/2001-PIC dated 16.05.2001
to all Ministries/ Departments to the Government of India
and all Financial Advisers (By name)

Subject: Optimisation of Direct Recruitment to Civilian Posts

The Finance Minister while presenting the Budget for 2001-2002 has stated that "all requirements of recruitment will be scrutinised to ensure that fresh recruitment is limited to 1 per cent of total civilian staff strength. As about 3 per cent of staff retire every year, this will reduce the manpower by 2 per cent per annum achieving a reduction of 10 per cent in five years as announced by the Prime Minister".

1.2 The Expenditure Reforms Commission had also considered the issue and had recommended that each Ministry/ Department may formulate Annual Direct Recruitment Plans through the mechanism of Screening Committees.

2.1 All Ministries/ Departments are accordingly requested to prepare Annual Direct Recruitment Plans covering the requirements of all cadres, whether managed by that Ministry/ Department itself, or managed by the Department of Personnel & Training, etc. The task of preparing the Annual Recruitment Plan will be undertaken in each Ministry/ Department by a Screening Committee headed by the Secretary of that Ministry/ Department with the Financial Adviser as a Member and JS (Admn.) of the Department as Member Secretary. The Committee would also have one senior representative each of the Department of Personnel & Training and the Department of Expenditure. While the Annual Recruitment Plans for vacancies in Groups 'B', 'C' and 'D' could be cleared by this Committee itself, in the case of Group 'A' Services, the Annual Recruitment Plan would be cleared by a Committee headed by Cabinet Secretary with Secretary of the Department concerned, Secretary(DOPT) and Secretary(Expenditure) as Members.

2.2 While preparing the Annual Recruitment Plans, the concerned Screening Committees would ensure that direct recruitment does not in any case exceed 1% of the total sanctioned strength of the Department. Since about 3% of staff retire every year, this would translate into only 1/3rd of the direct recruitment vacancies occurring in each year being filled up. Accordingly, direct recruitment would be limited to 1/3rd of the direct recruitment vacancies arising in the year subject to a further ceiling that this does not exceed 1% of the total sanctioned strength of the Department. While examining the vacancies to be filled up, the functional needs of the organisation would be critically examined so that there is flexibility in filling up vacancies in various cadres depending upon their relative functional need. To amplify, in case an organisation needs certain posts to be filled up for safety/ security/ operational considerations, a corresponding reduction in direct recruitment in other cadres of the organisation may be done with a view to restricting the overall direct recruitment to one-third of vacancies meant for direct recruitment subject to the condition that the total vacancies proposed for filling up should be within the 1% ceiling. The remaining vacancies meant for direct recruitment which are not cleared by the Screening Committees will not be filled up by promotion or otherwise and these posts will stand abolished.

2.3 While the Annual Recruitment Plan would have to be prepared immediately for vacancies anticipated in 2001-02, the issue of filling up of direct recruitment vacancies existing on the date of issue of these orders, which are less than one year old and for which recruitment action has not yet been finalised, may also be critically reviewed by Ministries/ Departments and placed before the Screening Committees for action as at para 2.2 above.

2.4 The vacancies finally cleared by the Screening Committees will be filled up duly applying the rules for reservation, handicapped, compassionate quotas thereon. Further, administrative Ministries/ Departments/ Units would obtain beforehand a No Objection Certificate from the Surplus Cell of the Department of Personnel & Training/ Director General, Employment and Training that suitable personnel are not available for appointment against the posts meant for direct recruitment and only thereafter place indents for Direct Recruitment. Recruiting agencies would also not accept any indents which are not accompanied by a certificate indicating that the same has been cleared by the concerned Screening Committee and that suitable personnel are not available with the Surplus Cell.

3. The other modes of recruitment (including that of 'promotion') prescribed in the Recruitment Rules/ Service Rules would, however, continue to be adhered to as per the provisions of the notified Recruitment Rules/ Service Rules.

4. The provisions of this Office Memorandum would be applicable to all Central Government Ministries/ Departments/ organisations including Ministry of Railways, Department of Posts, Department of Telecom, autonomous bodies – wholly or partly financed by the Government, statutory corporations/ bodies, civilians in Defence and non-combatised posts in Para Military Forces.

5. All Ministries/ Departments are requested to circulate the orders to their attached and subordinate offices, autonomous bodies, etc. under their administrative control. Secretaries of administrative Ministries/ Departments may ensure that action based on their orders is taken immediately.

6. Hindi version will follow.

Department of Expenditure F. No. 2(2)-E.Coord I/2003 dated 30.10.2003

Subject: Staff Inspection Unit - Implementation of Reports - Instructions regarding

The instructions regarding implementation of reports of the Staff Inspection Unit (SIU) of this Department were issued to all Ministries/ Departments vide Department of Expenditure O.M. No. F.1(57)E.Coord/80, dated 20th November, 1980 and O.M. No. F.1(49)-E.Coord/87 dated 11th January, 1988.

2. As per provisions contained in paras (g) of the O.M. dated 20th November, 1980, the staff declared surplus in autonomous bodies is not re-deployed by the Central Surplus Cell of the Department of Personnel & Training but is required to be adjusted against the future vacancies and normal waste out.
3. The above mentioned instructions have been examined in the light of experience gained over the last two decades. It has been observed that while surplus manpower had remained unadjusted in certain autonomous bodies, few other bodies were found to be recruiting persons from open market as there existed no provision to re-deploy/ engage the persons from one autonomous body to another. To obviate delay in adjustment of surplus manpower and to gainfully utilize their services, by way of re-deployment in such autonomous bodies where the additional manpower is needed, it has been decided that as and when any autonomous body intends to go for fresh recruitment from open market after observing the instructions issued by the Department of Personnel & Training vide their O.M. dated 16.5.2001 on optimization of direct recruitment to civilian posts, SIU of this Ministry would invariably be consulted. This would enable SIU of this Ministry to explore the possibilities of re-deployment of staff from such autonomous bodies where, as a result of study by SIU, surplus staff is still awaiting adjustment and could be adjusted elsewhere. In no case, autonomous bodies would go for direct recruitment from open market without getting the 'No Objection Certificate' from the Staff Inspection Unit of this Ministry.
4. Ministry of Home Affairs etc. are requested to kindly issue suitable instructions to all autonomous bodies under their control for strict compliance.

DOPT OM No. 3/27/2002-PIC dated 08.06.2004
to all Ministries/ Departments to the Government of India
and all Financial Advisers (By name)

Subject: Optimization of Direct Recruitment to Civilian Posts – Clarification regarding

References:

- (i) DOP&T O.M. No.7/3/2003-PIC, dated January 20, 2004
- (ii) DOP&T O.M. No.7/3/2003-PIC, dated September 11, 2003
- (iii) DOP&T O.M. No.2/26/2001-PIC, dated September 11, 2002
- (iv) DOP&T O.M. No.2/8/2001-PIC, dated June 16, 2002
- (v) DOP&T O.M. No.2/8/2001-PIC, dated May 16, 2001

References have been received by DOPT from some Ministries seeking clarifications regarding preparation of the Annual Direct Recruitment Plan (ADRP). The doubt raised by them pertains to whether the Cadre Controlling Authority (Ministry/ Department) should include such vacancies in its own Annual Direct Recruitment Plan, for which it is providing personnel and issuing posting orders (even though the posts are in other Ministries/ Department) or should the vacancies, which fall in different Ministries and Department be taken in the Annual Direct Recruitment Plan of the respective Ministries/ Departments to which these posts belong and where these vacancies are actually arising.

The matter has been examined in consultation with the Ministry of Finance. It has been decided as under -

- (i) The Ministry/ Department, on whose cadre the posts are borne should include the posts in the Annual Direct Recruitment Plan (ADRP) prepared by it, for consideration of the appropriate Screening Committee. This will facilitate a de facto appraisal of the workload of these posts by the Ministry/ Department, as well as the need to continue/ abolish the post (s). It may, however, be added that any decision in the matter may be taken in consultation with the nodal cadre controlling Ministry/ Department, wherever considered feasible.

Department of Expenditure No. F.7(1)/E.Coord./2006 dated 24.02.2006

Subject: Ban on Creation of Posts - Checklist for Processing Cases

The undersigned is directed to refer to OM No.7(2)/E.Coord/2005 dated 23rd November 2005 regarding Budget/ Expenditure Management, Economy measures, rationalization of expenditure, and measures for augmentation of revenues. In Para 8 of the OM Ministries/ Departments/ Autonomous Institutions have been instructed that there shall be a ban on creation of new posts till further orders. Any unavoidable proposals for the creation of posts, including Groups 'B', 'C' and 'D' posts, will continue to be referred to the Ministry of Finance (Department of Expenditure) for approval. The proposals would necessarily

have to be based on new organisation and accompanied by matching savings from existing related establishments. Outsourcing of routine services such as cleaning, maintenance, moving paper/ dak etc. may be encouraged.

2. M/o Finance has been receiving various proposals for creation of posts from different Ministries/ Departments. A perusal of the proposals reveal that often such proposals are incomplete and do not contain critical details such as name, designation, pay scale, category/ grade, functions, workload, Recruitment Rules of the posts and so on. Moreover, details of the organization such as the existing hierarchy, sanctioned and existing posts category-wise, vacancies including date of vacancies, posts abolished in the last years as a consequence of 10% cut or implementation of Expenditure Reforms Commission (ERC) recommendations, functional justification, matching savings, possibilities of redeployment/ outsourcing/ hire etc., which are absolutely imperative for appraising the proposals are missing. This leads to back references and delays.

3. Keeping the above in view, a comprehensive checklist has now been devised taking into account the latest extant orders on the subject. All Ministries/ Departments are requested to refer fresh proposals for creation of posts complying with the new checklist (copy enclosed) to avoid back references and obviate delays. It may be noted that any proposal which is not sent as per prescribed proforma would be returned. The proposals may invariably contain the approval of the concerned Financial Adviser.

Checklist of Information/ Details to be Furnished With Cases for Creation of Posts

The Post

1. Name and Designation of the post.
2. Pay scale of the post.
3. Grade/ category of the post.
4. Scientific/ technical or administrative nature of the post.
5. Functional justification (for each of the category separately).
6. How were the functions of the post being managed in the absence of its creation.
7. Duties and responsibilities of the post (Job description for each position).
8. Essential and minimum qualifications of the post.
9. Recruitment Rules relevant to the post.
10. Mode of filling up the post.
11. Immediate feeder post in the line of promotion.
12. Immediate promotion post in the hierarchy.
13. Workload of the post (Extract of SIU study, if any).
14. Financial implications for creation of the post.

The Organisation

1. Name of the organisation.
2. Detailed sanctioned strength (category-wise) with pay scales.
3. Detailed actual strength (category-wise).
4. Details of vacancies date-wise.
5. Whether the organisation has been studied by SIU/ IWSU. If so, details.
6. Details of posts abolished in the last five years under various categories like
 - a) deemed Abolition;
 - b) 10% cut;
 - c) SIU/ IWSU study;
 - d) ERC recommendations;
 - e) DOPT O.M. dated 16.5.2001 on optimisation of direct recruitment to civilian posts; and any other reasons such as periodic reviews, winding up etc.
7. Possibilities of re-deploy re-deployment/ outsourcing/ hiring out of services.
8. Matching savings (With specific posts, which are to be surrendered).
9. Costs (Both recurring and non-recurring).
10. Additional information, specific to this proposal.

DOT No. 03-02/2006-PHP dated 08.08.2006
(Circulated vide No. 33-4/2007-SEA-II dated 12.01.2007)

Subject: Provision of Mobile Handsets against Mobile Service Connections sanctioned by DOT HQs – regarding

It has been decided that mobile handset to the officers/ officials of DOT, for whom the Mobile Service Telephone Connections have been sanctioned by PHP Section, will be provided by DOT subject to the following limits:

- | | | |
|---|---|------------------|
| a) Officers/ officials upto the rank of JAG | - | upto Rs.3,000/- |
| b) Officers of the rank of DDG & Sr. DDG | - | upto Rs.5,000/- |
| c) Officers of the rank Adviser and above | - | upto Rs.10,000/- |

3. Following are the guidelines:

- i) Mobile handsets may be purchased by the eligible officers/ officials once in three years as per above entitlement.
- ii) Claims, in prescribed proforma, may be submitted to PHP Section for reimbursement.
- iii) The responsibility of repairing, replacement, warranty, guarantee, theft, quality features etc. lies with the user.
- iv) The officer/ official getting retired is allowed to retain the handset.

**Form For Reimbursement Of Mobile Handset Claims Of DoT
Officers/ Officials**

1. Name of claimant
2. Employee No.
3. Designation/ post held
4. Entitlement for reimbursement amount

Particulars of Mobile Handset Purchased

1. Make of Handset
2. Type
3. Model
4. Code (IMEI)
5. Sl. No.
6. Name and address of vendor/ shop where from Handset has been purchased
7. Purchase price of Handset
8. Date of Purchase of Handset

CERTIFICATE

Certified that:

- (i) Mobile handset as per above particulars has been purchased by me and the bill, in original, is enclosed.
- (ii) GSM Mobile Service Connection has been sanctioned to me vide No..... SIM card has already been issued by BSNL/ MTNL and it's indicator No. is
- (iii) *No mobile handset has been issued to me by DOT/ MTNL/ BSNL or *Mobile handset issued to me by DOT/ MTNL/ BSNL, has already been surrendered by me [surrender certificate enclosed]. *Strike out whichever is not applicable.
- (iv) The information furnished herein, is true and correct to the best of my knowledge.

(Signature of the applicant)
Tel. No.....

DOPT OM No. 3/27/2002-PIC dated 28.08.2006
to Deputy Secretary, Ministry of Labour & Employment

Reference: **Your O.M. No. A-12011/2/2005-Admn.I, dated 25-8-2006**

Reference above. Clarifications are furnished as under:

- (i) Newly created posts which are being filled for the first time, do not attract the restrictions imposed by DOPT O.M. of 16-5-2001, related to Optimization of Direct Recruitment. However, when the same posts are filled again (during the currency of operation of the Scheme of Optimization of Direct Recruitment) these posts will be covered by the provisions of the above O.M.
- (ii) Even though the newly created posts are exempted from the purview of the DOPT instructions of 16-5-2001 when being filled for the first time, however, these are required to be taken into account, while indicating the sanctioned strength of the Ministry.
- (iii) All Direct Recruitment Posts are covered by the DOPT guidelines of 16-5-2001. What was clarified during the discussion on 24.5.2006 was that Ministry of Labour may formulate their Annual Direct Recruitment Plan taking into account all Direct Recruitment vacancies. The Screening Committee will deliberate and decide the proposal based on the extent guidelines.

However, such posts for which a proposal has been made to the Cabinet seeking exemption from this scheme, could be proposed by Ministry of Labour, to be kept in abeyance (both for the filling up (1/3) such posts, as well as for abolition of (2/3) of these posts). They could be proposed to be kept in abeyance for a reasonable period say 3 months so that a final decision could be obtained from the Cabinet by the Ministry of Labour. Based on the Cabinet decision further action would be taken. However, if no decision is obtained within 3 months, then the posts would be automatically abolished.

The above line of action has, however, to be considered and approved by the Screening Committee.

DOT No. 3-02/2006-PHP dated 12.10.2006**Subject: Provision of Mobile Handsets against Mobile Service Connections sanctioned by DOT HQs – regarding**

In continuation to earlier O.M. of even number dated 8th August 2006 issued from this office regarding Provision of Mobile Handsets against Mobile Service Connections sanctioned by DOT HQs., the following guidelines shall be followed:

- i. Eligible officers/ officials may submit the claims, in the prescribed proforma along with original bill of the Mobile Handset, to the General-I Section for reimbursement. The claim shall contain copy of sanction order of Service Mobile Telephone Connection issued by PHP Section.
- ii. General-I Section shall process the claims and issue the sanction to Cash Section for payment as per eligibility.
- iii. General-I Section shall keep a record of all these reimbursements.
- iv. After a period of three years, the eligible officers/ officials may purchase a new Handset as per entitlement and guidelines prevailing at that time. However, at the time of second purchase the officer/ official need not required to surrender the old handset as the life span of the handset has been decided as three years.
- v. In case of transfers/ depositions, the officers/ officials will be allowed to retain the handset. The information of the date of purchase of Mobile Handset and its residual life shall be communicated by General-I Section of DoT to the concerned administrative unit of his/ her new place of posting.
- vi. In remote units of DOT, such as VTM Cells and CCA offices, Head of the office may be the authority to sanction the expenditure on Mobile Handset reimbursement as per eligibility.
- vii. The monthly bills of Broadband connections shall be verified by the PHP Section as per their sanctions, and will be forwarded to Director (T) for processing the payment.
- viii. The expenditure of both handsets and broadband connection shall be charged under office expenses.
- ix. Officers/ officials getting retired within a period of three years from the date of purchase of mobile handset are allowed to retain the handset.

DOT No. 6-2/2007-Admn.I dated 07.09.07**Subject: Request for Additional Staff in Various Wings in DoT**

Requests from various wings/ sections in DoT are being received in Administration Division for additional support staff. It is brought to the notice of all Wings that DOP&T has stopped the recruitment of LDCs and the posts lying vacant in this grade are to be abolished. There is a ban on the recruitment of peons as well. A large number of vacancies are already there in the cadre of stenographers Grade 'D' and Grade 'C' which cannot be filled up without the clearance of the screening committee. It is however felt that various wings in DoT are adding Officers without corresponding provision for supporting staff. Posting of the Officers and creation of posts of Officers is being done without the Administration Division being consulted about the availability of ministerial and Group D staff. It would therefore be difficult to provide ministerial staff to the new Officers joining against newly created posts or even rearranged/ diverted posts unless there is simultaneous reorganization of the corresponding levels at the lower end also.

2. Since there are instructions from DOP&T to fill up only 1/3rd of the Direct Recruitment (DR) vacancies subject to 1% of the total strength and abolish the remaining DR vacancies under the Scheme of Optimization of Direct Recruitment in Civilian posts, the possibility of any additional staff being made available by DOPT is remote; more so, on account of the decision to abolish cadre of LDCs and inability of DoT to fix the cadre strength of Officers pending finalization of absorption of ITS officers in PSUs.

3. The following decisions have accordingly been taken with the approval of Secretary (T) and Chairman, Telecom Commission:

- i) All the Wings in DoT will freeze the maximum strength of Officers as existing on 1.8.2007. No post(s) of Officers at the Headquarters of DOT be created or transferred or deployed over and above the existing strength as on 1.8.2007, without corresponding provision for the supporting staff. All such proposals before they are considered by the Telecom Commission or any Member (TC) for such additions, comments of Administration Division on the proposal for supporting staff must be obtained and considered.
- ii) Any new scheme should be project based having in built provision for contracted or outsourced support services.
- iii) A copy of all joining and relieving/ departure reports of all officers should be sent to Administration Division so that personal staff can be posted/ redeployed if an Officer is posted in, out or proceeds on long leave or training.

(L.S. Negi)
Deputy Secretary to GOI

Extract**Department of Expenditure No. 7(2) E-Coord/2007 dated 17.09.2007***To all Secretaries to the Government of India***OFFICE MEMORANDUM****Subject: Expenditure Management – Economy Measures and Rationalization of Expenditure**XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX**2.6 Ban on Creation of Plan and Non-Plan Posts**

2.6.1 The existing ban on creation of posts should continue to be enforced strictly. Any proposal for creation of Plan/ non-Plan posts, considered unavoidable, shall continue to be referred to the Ministry of Finance (Department of Expenditure) for approval. In such cases, creation of post should invariably be accompanied by the support of matching financial saving by adjustment, by abolition or keeping in abeyance of post(s) from the establishment strength of the Ministry/ Department. DoPT's extant O.M. No. 2/8/2001-PIC dated May 16, 2001 regarding optimization would continue to be in force and shall be strictly adhered to.

2.6.2 Every Ministry/ Department shall undertake a review of all the posts in the Ministry/ Department and in the attached and subordinate offices and make available the outcome of such review and full details of vacant posts to the Department of Expenditure in a time bound manner. Posts that have remained vacant for more than a year shall not be revived except under very rare circumstances, after seeking clearance of the Department of Expenditure.

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***"The time to repair the roof is
when
the sun is shining."***

-- John F. Kennedy

CHAPTER 5

LICENSING FINANCE BRANCH

A. Introduction

The Licensing Finance Branch handles the work of assessment, collection and accounting of License Fees chargeable from various telecom service providers in private or public sector.

With the announcement of NTP-1999 on 1.3.99, duopoly in telecom services was brought to an end and greater competition ensured. The new policy also replaced the Fixed License Fee regime with one of Revenue Sharing.

The existing Basic and Cellular licensees were allowed to migrate to revenue sharing regime from 1.8.99. Besides the introduction of competition in basic and cellular services, NTP-1999 also opened up the National Long Distance (NLD) Service and International Long Distance (ILD) Service to competition with effect from 13.8.2000 and 1.4.2002 respectively.

Licensing for Infrastructure Providers of Category-I (short-named IP-I) for providing assets such as dark fibres, right of way, duct space, towers, and for Category-II (short-named IP-II) for providing end-to-end bandwidth, was also opened up from 13.8.2000. The IP-II category was later discontinued w.e.f. 14.12.2005.

The then existing Voice Mail/ Audiotex Service licensees were allowed to migrate to the new licensing regime w. e. f. 1.4.2001.

In November 2003, the policy for migrating basic and cellular service providers to Unified Access Service Licenses (UASL) was announced. Several new licenses under the UASL category have since been issued. Effective from 1.1.2006, migration of IP-II licenses and IP-VPN licenses to NLD/ILD has also been permitted.

The license fee was brought down from 15% of AGR to 6% of AGR for ILD, NLD and VSAT services from 1.1.2006 and for IP-II from 24.6.2004. The ISPs are permitted to provide Internet telephony from 1.1.06. However, such internet telephony service providers are required to pay License Fee @ 6% of AGR in addition to the Re. 1/- per annum payable for the standard ISP license.

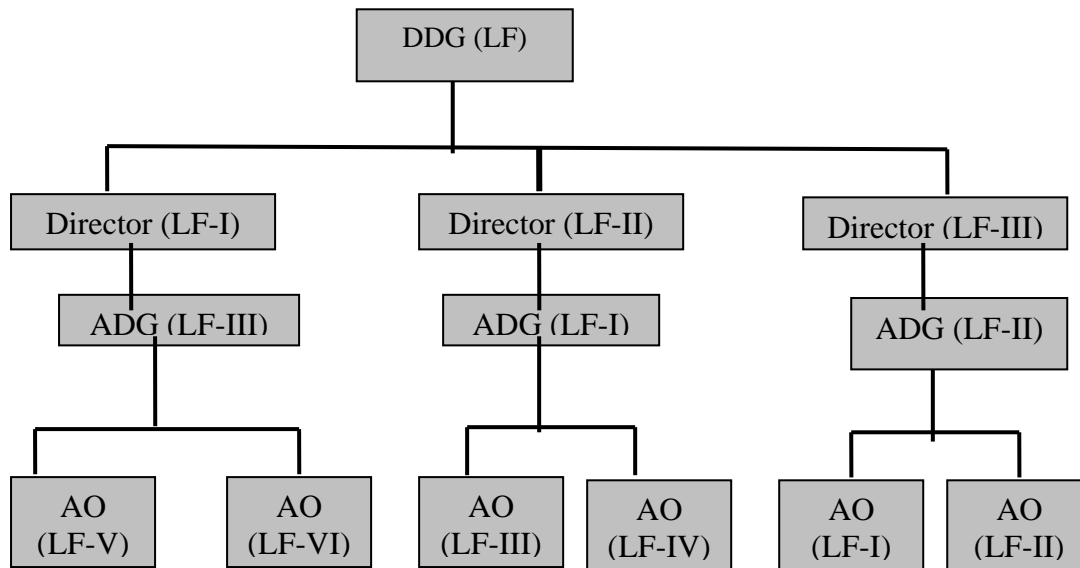
Besides licensing under the [Indian Telegraph Act, 1885](#), the Department also issues registrations for Infrastructure Providers (IP-I), and for Other Service Providers (OSPs) who provide services like tele-education, tele-medicine, Call Centres, etc. No license fee is recovered for these registrations.

The Revenue Sharing regime brought with it complexities of determination of license fees. This Chapter also attempts at capturing the various steps involved in recovery of license fees to provide a better appreciation and to facilitate implementation of the various financial conditions of the license. It does not however, substitute the License Agreements. The important conditions governing the various licenses are also briefly mentioned, besides attaching the Orders/ Instructions issued by LF branch from time to time.

Today the total number of licenses is about 800 and license fees are recovered on revenue sharing basis from approx. 450 of these.

Computerization of the various activities including submission of AGR statements by the Licensees and payments online by the Licensees has already been initiated. The procedures will be updated from time to time taking into account the changed position.

B. Organizational Structure



C. Items of Work

1. The LF Branch deals with all the matters connected with License Fee in respect of the following services:
 - a) Basic services
 - b) Cellular Mobile Telephone services
 - c) Radio paging services
 - d) E-mail
 - e) Voice Mail/ Audio text
 - f) Public Mobile Radio Trunk Service (PMRTS)
 - g) Very Small Aperture Terminal (VSAT)
 - h) Internet Services
 - i) Global Mobile Personal Communications by Satellite (GMPCS)
 - j) National Long Distance (NLD)
 - k) International Long Distance (ILD)
 - l) Infrastructure Provider-I (IP-I)
 - m) Infrastructure Provider-II (IP-II)
2. Rendering of Financial Advice on all matters relating to licensing of private operators to provide Telecom Services.
4. Collections of quarterly License fee and monitoring of LF payments for all the services.
5. Monitoring of receipt of Annual Accounts, Financial Statements from all the companies.
6. Maintenance of Financial and Performance Bank Guarantees including timely action on their extension, invocation, collection of proceeds in terms of license agreement.

7. Vetting of ATNs, Audit paras, CAG/ PAC paras, Parliament Questions relating to the above subjects.
8. Preparation of Budget Estimates of LF, USO Funds for all the services.
9. Interaction with WPF, USO etc connected with licensing agreement and collection of dues from licensees.
10. Interaction with TRAI on all financial matters connected with licensing and collection of License Fee, furnishing of information and data etc as and when required.
11. All litigation cases arising on the above services connected with LF in TDSAT, HC, SC, Banking Ombudsman and Arbitrators.
12. Matters connected with collection of outstanding dues from licensees.

D. Channel of Submission and Final Disposal of Cases

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Finance Advice cases and vetting of documents, Audit paras etc. relating to VAS BS, LR, and PIP Branches	ADG/ DIR	DDG
2	Reply to Parliament Questions	ADG/ DIR/ DDG	M(P)/ MOSC/ MOC
3	Reply to Half Margin and Audit	AO	ADG
4	Court cases	AO/ADG	DIR/ DDG
5	Review/ Re-fixation of license fee amount for operating Basic/ VAS/ Other Services	ADG/ DIR/ DDG	M(P)/ M(F)/ CH(TC)
ii	Acceptances of license fee payments, dispatch of cheques to PAO, maintenance of register of payments received and made over to PAO with classification	AO	Review by ADG
iii	Reminder to licensees for payment of license fees	AO	ADG
iv	Review of payments and outstanding	AO	ADG
v	Calculation of penal interest on delayed payments & recovery of the same	AO	ADG
vi	Refund of license fee excess paid	AO/ ADG/ DIR	DDG
6 i	Safe custody of FBGs and PBGs of VAS, Maintenance of ledgers and control Registers etc.	AO	Reviewed by ADG
ii	Issue of letters of extension of BGs before expiry of validity and invocation in case of non extensions	AO	ADG
iii	Approval for invoking BG in case other than mentioned in Para 6(ii) above	ADG/ DIR	DDG
7	USO matters	DIR	DDG
8	Checking of affidavit etc. at the time of recovery of quarterly revenue share/ LF	AO	ADG
9	Annual Financial settlement of revenue share/ LF	AO/ ADG	DIR
10	Processing for decision on appointment of Auditors /auditing of licensees record	DIR/ DDG	M(P)

E. Licensing Structure: An Overview

E1. Procedure for Grant of Licenses

Section 4 of the [Indian Telegraph Act of 1885](#) confers upon the Central Government the exclusive privilege to establish, operate and maintain telegraphs and grant licenses for the purpose. All telecom operators are therefore required to obtain a license from DoT under Section 4 of the Indian Telegraph Act, 1885.

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For the purpose of issue of most licenses, the country is divided into 23 Service Areas (some licenses are also given on all-India basis, e.g. NLD, ILD). The Service Areas are generally co-terminus with States and comprise of 19 Telecom Circles and 4 Metros. The licenses issued by the Department can be broadly classified into three categories:

- i) **Commercial licenses:** These are licenses under which telecom services are provided by the licensees to third parties. The commercial licenses include -BASIC, CMTS, UASL, NLD, ILD, IP-II, ISP & VSAT. The License fees are recovered as a share of revenue at a prescribed percentage of the licensee's Adjusted Gross Revenues (AGR).
- ii) **Captive licenses:** These are licenses under which services are provided within the Closed User Group and the network is not connected to the Public Switched Telephone Network. These include VSAT, OFC links, and Microwave Links. The license fee is normally fixed per installation.
- iii) **Other Service Providers (OSPs) & Infrastructure Provider Category I (IP-I):** As per the new telecom policy (NTP-1999), OSPs providing services like tele-banking, tele-medicine, tele-trading, e-commerce, etc. are allowed to operate these non-telecom services by using infrastructure provided by various access (telecom) service providers. The Telecom Commission in May 1999 accorded in principle approval for registration of Call Centers in the country, both international and domestic, under the above category. Later, services like Network Operation Centers and Vehicle Tracking Systems were also added to this category. These require only a registration and no license fee is payable by the OSPs/ IP-I.

For registration as an OSP, or for the grant of a telecom service license, a party must apply in the prescribed form to respective licensing branch at DoT Hqrs. along with the prescribed processing fee. If the applicant meets the eligibility criteria, a Letter of Intent (LOI) is issued to him.

Before signing the license, the applicant has to deposit the prescribed Entry Fee and submit Performance (PBG) and Financial (FBG) Bank Guarantees of specified amounts. For Registrations under OSP, there is no Entry Fee requirement; only a PBG is required. The Entry Fee is a one-time, non-refundable payment. The applicant is also required to clear all outstanding dues against any other telecom license held by the applicant company or any of its promoters/ partners or by its sister concern(s).

On grant of a license, a *License Fee* is charged over the period of the License as a percentage share of Adjusted Gross Revenue (AGR). The License Fee includes Universal Service Levy (USL) at 5% of AGR. Present requirements for the various Licenses/ Registrations are tabulated below.

Service	Processing Fee (In Rs.)	Entry Fee	PBG	Initial FBG	License Fee as revenue share including 5% towards USL
COMMERCIAL LICENSES					
Basic	Post UASL, no fresh licenses are being granted				From 1.4.04 -10%, 8% & 6% of AGR for A, B and C Circles respectively
UASL	15000	Service area wise. Ranges from Re 1/- to Rs. 233 crore.	Rs. 20/10 /2 cr. For A/ B/ C category respectively.	50/25/5 cr. for A, B and C category, respectively.	-do-
CMTS	Post UASL, no fresh licenses are being granted	Based on the highest bid.	-do-	-do-	-do- Additional reduction of 2% for a period of 4 years for the first two licensees in the Service Area from 1.4.04. (8%, 6% and 5% respectively)
NLD	15,000	Reduced from 100 to		Rs. 20 crores.	Reduced from 15% to 6%

Service	Processing Fee (In Rs.)	Entry Fee	PBG	Initial FBG	License Fee as revenue share including 5% towards USL
		2.5 cr. (Nov. 10, 2005)			of AGR w.e.f 1.1.06
ILD	50,000	From Rs. 25 lakhs to 2.5 lakhs		Rs. 20 crs.	-do-
VSAT		Rs. 30 lakhs		Rs. 10 lakhs	-do-
ISP	5000	Nil	Rs. 2cr./ 20 lakh/ 3 lakh for A/B/C category	20 Lakh/ 2 lakh/ 50,000	Till 31.10.03 - Nil. Re 1/- p.a. thereafter.
ISP with Internet telephony	10,000		-do-	NIL	6% of AGR w.e.f 1.01.06
ISP with VPN permission	10,000	Rs. 10, 2 and 1 cr. for A, B & C cat. ISPs.		Rs. 1cr./20Lakh/10 lakh for A/B/C category resp.	6% of AGR w.e.f 1.1/06
IP-I	5000	NIL	NIL	NIL	Registration
IP-II	10,000	NIL	Rs. 10 crores	Rs. 5 cr.	Reduced from 15% to 6% w.e.f. 24.06.04
PMRTS	NIL			Rs. 1 Lakh	5% of AGR w.e.f 1.11.2001
Radio Paging	No new	Licenses			5% of AGR
Voice Mail/ UMS/ Audiotex	Rs. 20,000	Rs. 3 Lakh		Rs. 1 lakh	5% of AGR
CAPTIVE LICENSES:					
VSAT		Rs. 30 lakhs	NIL	NIL	Rs. 10,000 p.a. per VSAT subject to a minimum of Rs. 10 lakhs.
PMRTS				Rs. 1 lakh	Rs. 300 p.a. per terminal with minimum Rs. 25000 p.a. per licensed area.
Microwave Radio Links					Up to 120 Channels: Rs. 50000 per Hub p.a.; for 120-480 channels: Rs. 2.00 lakhs; From 480 to 1960 channels Rs. 2.40 lakhs per hub p.a.
INSAT-MSS	Rs. 5000	Nil		Rs. 2 lakhs	
OSPs	Rs. 1000			Rs. 10 lakhs – 5 cr.	

E2. Salient Features of Various License Agreements

- The bidder (would-be licensee) must be an Indian company, registered under the Indian Companies Act, 1956.
- Most Agreements are valid for 20 years, extendable by 10 years at a time.
- No license can be transferred without the prior permission of the Licensor, DoT.
- Failure to achieve the *rollout obligations* prescribed under the license, within the stipulated time frames, entails payment of *liquidated damages* by the Licensees at rates and for the periods prescribed in the concerned license.
- License Fees are payable quarterly in arrears within 15 days of completion of the quarter, except that the License Fee for the 4th quarter is payable by 25th March.
- Royalty and Fee for the use of spectrum and possession of wireless telegraphy equipment respectively are payable separately as per the details and prescription of the Wireless Planning & Coordination (WPC) Wing of DOT.
- Interest on delayed payments is charged @ 2% + SBI's Prime Lending Rate (PLR) as on 1st April of the year.
- For a shortfall in payment exceeding 10% of the License Fee payable, the amount due *plus* 50% thereof is recoverable along with interest for delay in payment.

E3. Financial Conditions in License Agreements

The License Fee is payable in 4 quarterly installments and ranges from 5% to 10% of the AGR. It is inclusive of 5% towards Universal Service Levy (USL). However for ISP licenses the annual License Fee is a nominal Re 1/- p.a.

The AGR as defined under the various License Agreements is broadly the Gross Revenue, *excluding*,

- PSTN related call charges (Access Charges) actually paid to other Telecom service providers in India.
- Roaming revenues actually passed on to other service providers; and
- Service Tax and Sales Tax paid to the Government; if the Gross revenue included this component.

E3.1. Schedule of Payment of License Fee

With effect from 1.10.2002, License fee is payable quarterly in arrears. The quarterly installments for the first three quarters of a financial year are payable within 15 days of completion of the relevant quarter, based on the actual revenues (on accrual basis) for the quarter.

For the last quarter of the Financial Year, the License Fee is payable by 25th March on the basis of expected revenues for the quarter, subject to a minimum payment equal to the actual revenue share paid for the previous quarter. The difference between the payment made and actual amount duly payable (on accrual basis) for the last quarter of the FY is payable within 15 days of the end of the said quarter.

Intervening holiday/s on the last day of the prescribed period shall not result in extension of the specified period of payment.

For the purpose of License Fee, the year is reckoned as beginning 1st of April and ending on 31st March, with each quarter ending on 30th June, 30th September, 31st December and 31st March, *except* for the last quarter of the 1st year of the license and the last quarter of the last year of the license, which is computed with reference to the actual number of days after excluding the earlier quarter, each consisting of three months.

The License Fee payments are to be accompanied by a STATEMENT in the prescribed form and are to be computed by the licensee as per prescribed norms. The statement showing the computation of revenue and License Fee payable is to be supported by an Affidavit of a representative of the Licensee, duly authorized by a Board resolution.

The Statements are required to be audited by the Licensee's Auditors and submitted along with the annual accounts and audit report of the company (The forms of *Affidavit* and the *AGR Statement* are given in *Annexure I*)

All License Fee payments are to be made through a Demand Draft or Pay Order drawn on any Scheduled Bank, in favour of the Pay & Accounts Officer (HQ), DoT or the designated CCA. Ordinary cheques are not acceptable. Online payments are presently under examination.

E3.2. Short or Non-Payment of License Fees

Interest at 2% above the Prime Lending Rate (PLR) of State Bank of India existing as on the beginning of the FY (1st April) in respect of the license fees pertaining to the said FY is payable for

any delay in payment beyond the stipulated period. The interest is compounded monthly and a part of the month is reckoned as a full month for the purpose of calculation of interest. The revised interest rates are applicable for the payments from the FY 2005-06. For the earlier period the interest rate was 5% above the PLR on the date the amount fell due.

Effective from the payments pertaining to FY 2005-06 onwards, any shortfall in payment beyond 10% of the license fee payable during a financial year shall attract a penalty @ 50 % (previously, 150%) of the entire amount of short payment. This amount of short payment along with the penalty shall be payable within 15 days of the date of signing the Audit report on the annual accounts, failing which interest will be further charged as for delayed payments. However, if such short payment is made good within 60 days from the last day of the financial year, no penalty shall be imposed.

E3.3. Computation of Interest and Penalty

Interest stream for each quarter are computed separately and drawn up to the date they are cleared. On receipt of a payment for liquidating the due amounts of license fee and attendant interest and penalty, the principal amount outstanding is first adjusted, then the interest component on the principal amount, the penalty, and last - the attendant interest on penalty. The earlier principal dues are liquidated first from a payment received even while the payment would have been received towards a subsequent quarter. This adjustment is however restricted to a financial year.

At times, amounts are available from invoking a Bank Guarantee or from the cash security held in respect of a license. Wherever the amounts are adjusted from a security deposit already available, the date of effect for adjusting deposit amounts available shall be the due date of the amount being adjusted or availability of the proceeds whichever is later unless otherwise approved by the competent authority in compliance of the judgments of various Tribunals/ Courts etc.

E3.4. Bank Guarantees

Bank Guarantees are obtained to securitize the performance of the license conditions; *inter-alia* of payments of License Fees. Two kinds of Bank Guarantees are envisaged under the various licenses (i) Performance Bank Guarantee (PBG) and (ii) Financial Bank Guarantee (FBG). The Provisions of Bank Guarantees in respect of Various Services is given in **Annexure II**.

E3.4.1. Performance Bank Guarantee (PBG)

While the PBGs are in general for compliance to various terms of the license, including the roll out obligations under the license, the FBGs are obtained specifically to secure the future payments of license fee.

In respect of PBGs the role of Finance branch is more of a custodian as the administration of these guarantees i.e. the value for which they have to be obtained, their reduction or invocation is done at the instance of concerned Licensing branch of the Department. Invocation of PBG may be done by LF branch if it is not renewed in time.

E3.4.2. Financial Bank Guarantee (FBG)

Initially, the Licensee submits a FBG valid for one year, for a fixed amount as specified in each license. Thereafter, the FBG is to be furnished equivalent to the estimated sum payable for two quarters towards the license fee and other dues not otherwise securitized.

The FBG on an ongoing basis shall be equivalent to two quarters license fee and calculated as twice of the arithmetic mean of last four quarters license fees enhanced by 10%. Any reduction from the initially prescribed levels shall be after receipt and review of two full quarter's estimate and report of AGR. (See instructions 1-6/2001-LF dated 28.05.04).

E3.4.3. Conditions Uniformly Applicable to FBG and PBG

- Bank Guarantees must be from Scheduled Bank in India or from any Indian Public Financial Institution duly authorized.
- They have to be maintained for the amounts prescribed.
- They have to be in the prescribed formats.
- Bank Guarantees have to be renewed normally one month in advance.
- Bank Guarantees have to be verified for (i) the authenticity by asking the issuing bankers to confirm that the BG issued by them is a valid guarantee and (ii) the Performa as prescribed in the License Agreement.
- As soon as the BG is received its details are to be recorded in a register under dated signature of concerned officers.

Invocation of the Financial Bank Guarantee is resorted to:

- When the validity is not extended ;
- It is not as per Performa and the Service provider does not rectify the deviations;
- When the amount is inadequate and service provider fails to furnish BG of requisite amount;
- For liquidating the outstanding dues.

The proceeds of the Bank Guarantees are first credited to the Security Deposit Head (under the Public Account) without bearing any interest.

When a Bank Guarantee is invoked and the proceeds are not received from the Bank within a reasonable time, say about a week, a final notice is issued to the Bank indicating that the next step would be to approach the Banking Ombudsman for redress.

For invocations done to recover the amounts due, the Bank guarantee proceeds are set off against the amounts due on the date of receipt of the proceeds of the Bank Guarantee and the Licensee is addressed to give a fresh Bank Guarantee.

Proceeds of Bank Guarantees invoked on account of non-extension of their validity period are generally not adjusted against amounts falling due but are kept as security deposit without earning any interest thereon, since these are held in lieu of the Bank Guarantees themselves.

F. Assessment of AGR and License Fees

F1. Verification of Adjusted Gross Revenue (AGR)

For verification of the correctness of the AGR, the Agreements provide the following:

- (i) The Licensor (DoT) has the right to call for and the Licensee is obliged to supply and provide for examination, any books of accounts that the licensee may maintain in respect of the business carried on to provide services.
- (ii) The records of the Licensee are subject to such scrutiny as may be required by the Licensor so as to facilitate independent verification of the amount due to the Licensor as its share of the revenue.

- (iii) The Licensor may on forming an opinion that the statements/ or accounts submitted are inaccurate or misleading, order an Audit of Accounts of the Licensee by appointing an Auditor.
- (iv) The Licensor may also get conducted a 'Special Audit' of the Licensee company's accounts/ records.

Annual assessment of the AGRs comprises of:

- (i) Determination of the AGR (computed on quarterly basis for the year under review).
- (ii) Computation of interest and penalty amounts on delayed/ short payments.

The AGR is arrived at after allowing for deductions defined in each of the licenses. The following documents are normally relied upon –

- (1) Quarterly Audited AGR statements,
- (2) Annual Audited Accounts
- (3) Statement reconciling revenues in the AGR and the Audited annual accounts,
- (4) Operator-wise details of pass-through and roaming charges claimed as deductions,
- (5) Details of Service Tax/ Sales Tax paid and claimed as deduction,
- (6) Accounting policies, Notes on Accounts, Auditors' Reports, and Management's reply to Auditors' Reports.

[NOTE: The TDSAT has delivered a judgment in Petition No. 7 of 2003 (MA No. 2 of 2004) on 30th August 2007 modifying the definition of AGR, from which the Department may prefer an appeal.]

F2. Revenue Recognition and Deductions - Other Issues

- (1) Deductions from AGR comprise only call charges passed on to other Service Providers and or service/ sales tax paid to the Government and included in the AGR.
- (2) Charges incurred for port and bandwidth hiring are costs, and are not allowed as deduction. The Licensees are required to furnish operator-wise details of pass thru' charges paid, apart from disclosures regarding taxes, discounts etc. as mandated thru' the licenses.
- (3) At times a single operator (i.e. a company) may hold multiple licenses. In many such cases, license-wise audited accounts may not be submitted by the operator. What is available to the Department in such a case is the Accounts of the company as a whole. A reconciliation statement is therefore required to bring out the comparison of revenues in the audited accounts and in the constituent AGR statements.
- (4) No expenditure is allowable for 'set-off' (related or unrelated).
- (5) Reversal of earlier year's *debits* is not taken as revenue for levy of license fee.
- (6) Bad debts written off are not allowed as a deduction from revenue.
- (7) Service tax included in excess of the amounts included in the Gross Revenue portion or that paid to the Government are not allowed as a deduction from AGR.

The Revenue in the AGR Statements is reconciled with the incomes disclosed in the P&L account independently. Following reconciliation, the following items of revenue/ income are added back or the SET OFF disallowed:

- (i) Un-reconciled amounts or such incomes classified to be part of corporate income and not included by the licensee for license fee purposes.
- (ii) Gains from foreign exchange credited to P&L.
- (iii) Proceeds from insurance credited to P&L
- (iv) Profit on sale of assets, LD charges or any other miscellaneous income, Interest/ dividend income, credited to P&L.
- (v) Interest/ dividend incomes set off through expenditure schedule, if any.
- (vi) Interest on Income tax refunds.
- (vii) Discount and waivers, which are at the post billing stage and not covered under TRAI approved tariff plans.

- (viii) Prior period credits (only incomes/ revenues) are taken as revenue.

F3. Multi-License/ Multi-Business Situation

- (i) The approach has been to keep non-telecom business revenues like power, textile, etc outside the ambit of AGR.
- (ii) If the miscellaneous incomes have not been rationally allocated by the licensee himself, then proportionate allocation in the ratio of earnings to various businesses/ licenses is enforced.

F4. ADC and Universal Service Obligation Levy

For the purpose of charging License Fee, the ADC (access deficit charge) received/ retained by the service provider is treated as a part of the Gross Revenue and LF is charged.

ADC is allowed as a deduction from the Gross Revenue of licenses when passed on to another service provider.

Subsidy received from USOF is not treated as revenue for the purpose of License Fees.

G. Collection, Reporting, Review, Accounting and Budgeting

- The License Fees is being collected by LF Branch in DOT HQrs. and by the 23 (Senior/ Joint) CCAs.
- The license fees so collected must be deposited to Government account by Challan system preferably the same day or the next working day and accounted for after duly segregating amounts received under USO.
- Reports are to be furnished through prescribed formats and amounts so reported shall also be reconciled with the accounts.

The Registers already prescribed for recording of various details must be closed every month, duly authenticated by the officer concerned. The quarterly AGRs, Affidavits and payments so received must be checked for completeness, proforma and parity as also for significant deviations, if any.

G1. Accounting of Revenue Share Received

While the license fee received from Captive licenses (i.e. Captive VSAT operators, OFC and Microwave Link) do not have any component of Universal Service Levy, the license fee received in the form of revenue share has a component of Universal Service Levy which is 5% of the AGR. Accordingly, on receipt of Revenue Share, the amounts are to be bifurcated between telecom license fee and Universal Service Levy and the classification is as under:

1275-Other Communication Services-104-Telecom License Fee; and
1275-Other Communication Services-105-Universal Service Levy

G2. Revenue Budgeting

On the revenue side, RE/ BE is drawn up in October/ November, based on the first two quarter payments plus any other anticipated receivable. The expenditure budget, mainly addresses the

professional charges payable to counsels, consultants etc. Reconciliation of receipts with CCA Office, LF branch at DoT Hqrs and PAO in DoT (HQ) is to be carried out on a monthly basis.

H. Definitions of Adjusted Gross Revenue in Licenses

H1. Cellular

The Gross Revenue shall be inclusive of installation charges, late fees, sale proceeds of handsets (of any other terminal equipment etc.), revenue on account of interest, dividend, value added services, supplementary services, access or 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.

For the purpose of arriving at the “Adjusted Gross revenue” the following will be excluded from the Gross revenue to arrive at the adjusted gross revenue:

- (i) PSTN related call charges (Access charges) actually paid to Bharat Sanchar Nigam Limited (BSNL)/ Mahanagar Telephone Nigam Limited (MTNL) or other telecom service providers within India.
- (ii) Roaming revenues actually passed on to other telecom service providers, and
- (iii) Service Tax on provision of service and Sales Tax actually paid to the Government; if gross revenue had included the component of Service Tax.

H2. Unified Access Service License

The Gross Revenue shall be inclusive of installation charges, late fees, sale proceeds of handsets (of any other terminal equipment etc.), revenue on account of interest, dividend, value added services, supplementary services, access or 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.

For the purpose of arriving at the “Adjusted Gross revenue” the following will be excluded from the Gross revenue to arrive at the adjusted gross revenue:

- (i) PSTN related call charges (Access charges) actually paid to other eligible/ entitled telecommunications service providers within India.
- (ii) Roaming revenues actually passed on to other eligible/ entitled telecommunications service providers, and
- (iii) Service Tax on provision of service and Sales Tax actually paid to the Government; if gross revenue had included the component of Sales Tax and Service Tax.

H3. Basic Service License

The Gross Revenue shall include all revenues accruing to the LICENSEE on account of goods supplied, services provided, leasing of infrastructure, use of its resources by others, application fee, installation charges, call charges, late fees, sale proceeds of instruments (or any terminal equipment including accessories), handsets, band width, income from value Added Services, supplementary services, access or interconnection charges, roaming charges, any lease or rent charges for hiring of infrastructure etc and any other miscellaneous items including interest, dividend etc. without any set off of related items of expense, etc.

“ADJUSTED GROSS REVENUE” for the purpose of levying License Fee as a percentage of revenue shall mean the Gross Revenue as reduced by:

1. PSTN related call charges (Access charges) actually paid to other telecommunications service providers for carriage of calls;
2. Service Tax on provision of service and Sales Tax actually paid to the Government; if gross revenue had included the component of Service Tax.

H4. National Long Distance (NLD)

'REVENUE' for the purpose of levying License fee as a percentage of revenue shall mean the gross total revenue income accruing to the Licensee by way of providing NLD service under the license including the revenue on account of supplementary/ value added services and leasing of infrastructure, interest, dividend etc. as reduced by the component part of a pass through nature payable to other service providers to whose networks the Licensee's NLD network is interconnected, for carriage of calls.

The Gross Revenue shall also include previous debits (e.g. bad debts recovered, of excess provisions in earlier years).

It is clarified that any lease or rent charges for hiring of infrastructure shall not be so deducted. Service tax and sales tax collected and passed on to the Government(s) from customers of the Licensee shall not form part of the revenue.

H5. International Long Distance (ILD)

The Gross Revenue shall include all revenues accruing to the LICENSEE on account of goods supplied, services provided, leasing of infrastructure, use of its resources by others, application fee, installation charges, call charges, late fees, sale proceeds of instruments (or any terminal equipment including accessories), handsets, band width, income from value Added Services, supplementary services, access or interconnection charges, roaming charges, any lease or rent charges for hiring of infrastructure etc and any other miscellaneous items including interest, dividend etc. without any set off of related items of expense, etc.

"ADJUSTED GROSS REVENUE" for the purpose of levying License Fee as a percentage of revenue shall mean the Gross Revenue as reduced by:

- (i) Call charges (Access charges) actually paid to other telecommunications service providers for carriage of calls;
- (ii) Service Tax for provision of service and Sales Tax actually paid to the Government; if gross revenue had included the component of Service Tax.

H6. Public Mobile Radio Trunk Service (PMRTS)

"ADJUSTED GROSS REVENUE" for the purpose of levying License Fee as a percentage of revenue shall include the Gross Revenue excluding:

- (i) Charges of pass through nature payable to other telecommunications service provider (s) to whose network, the Licensee's network is interconnected.
- (ii) Service Tax and Sales Tax actually paid to the Government; if gross revenue had included the component of Service Tax/ Sales tax.

The Gross Revenue shall include all revenues accruing to the licensee on account of goods supplied, services provided, leasing/ hiring of infrastructure, use of its resources by others, application fee, installation charges, call charges, late fees, sale proceeds of instruments (or any terminal equipment including accessories), fees on account of Annual Maintenance Contract, income

from Value Added Services, supplementary services, access or interconnection charges, roaming charges, any lease or rent charges for hiring of infrastructure etc. and any other miscellaneous items including interest, dividend etc. without any set-off of related items of expense, etc.

H7. Very Small Aperture Terminal (VSAT)

The Gross Revenue shall include all revenues accruing to the LICENSEE on account of goods supplied, services provided, leasing/ hiring of infrastructure, use of its resources by others, application fee, installation charges, call charges, late fees, sale proceeds of instruments (or any terminal equipment including accessories), fees on account of Annual Maintenance Contract/ Annual Comprehensive Maintenance Contract, income from value Added Services, supplementary services, access or interconnection charges, roaming charges, any lease or rent charges for hiring of infrastructure etc and any other miscellaneous items including interest, dividend etc. without any set off of related items of expense, etc.

“ADJUSTED GROSS REVENUE” for the purpose of levying License Fee as a percentage of revenue shall include the Gross Revenue excluding:

- (i) Charges of pass through nature payable to other telecommunications service provider (s) to whose network, the Licensee’s network is interconnected for carriage of data.
- (ii) Service Tax and Sales Tax actually paid to the Government; if gross revenue had included the component of Service Tax.

H8. Internet (Service) Provider (IP-II)

‘REVENUE’ for the purpose of levying License fee as a percentage of revenue shall mean the gross total revenue income accruing to the Licensee by way of providing the Service under the license including the 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.

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) Charges from Internet access, Internet content and Internet access related installation charges;
- (ii) Service Tax on provision of service and Sales Tax actually paid to the Government; if gross revenue had included the component of Sales Tax and Service Tax.

I. Norms for Annual Financial Statements Prescribed in Licenses

- 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 verifications.
- 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
- Service tax billed, collected and remitted to the Government shall be shown separately.
- Sales Tax billed, collected and remitted to the Government shall be shown separately.
- Details of income from sale 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.
- Roaming charges shall be shown under the following heads separately:
 - (a) Roaming airtime charges collected for each external network from own (home) subscribers.
 - (b) Roaming airtime charges actually remitted to each external network.
 - (c) Roaming commission retained (Network-wise)
 - (d) Roaming commission paid (Network-wise)
 - (e) Any other variable charges collected and retained/ passed on to other operators, with details.
- Total Airtime Units (Metered Units) for home and visiting subscribers and unbilled numbers (e.g. service connections) to be furnished separately.

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“A stitch in time saves nine.”

- A proverb

Annexure-I

Performa 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 authorised 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 Schedule.....Part and Annexure.....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 period toThe details of calculation of revenue and license fee is as per Annexure (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

Annexure to above Statement

Format Of Statement Of Revenue And License Fee
_____(NAME AND ADDRESS OF OPERATOR)
CELLULAR MOBILE TELEPHONE SERVICE IN _____ (SERVICE AREA)
STATEMENT OF REVENUE AND LICENSE FEE FOR THE QUARTER _____
OF THE FINANCIAL YEAR _____

(Amount in Rupees)

S.No.	Particulars	Actuals Of The Previous Quarter	Figures For The Current Quarter	Cumulative Figures Up To The Previous Quarter
1.	Revenue from Services:			
A.	Post paid options:			
i.	Rentals			
ii	Activation Charges			
iii.	Airtime Revenue			
iv.	Pass through charges			
v.	Service Tax			
vi.	Roaming charges			
vii	Service charges			
viii.	Charges on account of any other value added services. Supplementary Services etc.			
ix.	Any other income/ miscellaneous receipt from post paid options.			
B.	Pre-paid options:			
i.	Sale of pre-paid simcards including full value of all components charged therein.			

Telecom Accounts and Finance Manual

ii.	Any other income/ miscellaneous receipt from pre-paid options.			
C. i.	Revenue from Mobile Community phone service including full value of all components charged therein.			
ii.	Any other income/ miscellaneous receipt from Mobile Community phone service.			
2.	Income from Trading activity: (all inclusive of sales tax)			
i.	Sale of handsets			
ii.	Sale of accessories, including simcards etc.			
iii.	Any other income/miscellaneous receipt from trading activity.			
3.	Revenue from roaming.			
i.	Roaming facility revenue from own subscribers.			
ii.	Roaming revenue from own subscriber visiting other networks including STD/ISD/pass thru charges for transmission of incoming call during roaming.			
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.			
4.	Income from investments.			
i.	Interest income			
ii.	Dividend income			
iii.	Any other miscellaneous receipt from investments.			
5.	Non-refundable deposits from subscribers.			
6.	Revenue from franchisees / resellers, excluding revenues already included in 1A&1B			
7.	Revenue from sharing/leasing of infrastructure			
8.	Revenue from other operators from sale of bandwidth			
9.	Revenue from other operators on account of pass thru call charges.			
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.	PSTN related Call charges passed on to basic, cellular and long distance service provider(s) (operator-wise)			
2.	Roaming revenues actually passed on to other CMSPs And GMPCS service providers. (operator-wise)			
3.	Service Tax paid to the Government.			
4.	Sales Tax paid to the Government.			
BB	TOTAL DEDUCTION (1-4B)			
CC	Adjusted Gross Revenue (AA-BB)			
	REVENUE SHARE @.....OF ADJUSTED GROSS REVENUE:			

Annexure-II

Bank Guarantees in Respect of Various Services

Service	Provision of Bank Guarantees
Basic/ UASL	<p>Performance Bank Guarantee:</p> <p>Performance Bank Guarantee (PBG) in prescribed format (see Annexure-III) shall be submitted before signing of LICENSE AGREEMENT for amount equal to Rs. 20/ 10/ 2 crores for (category 'A/ 'B/ 'C' service areas) before signing the License Agreement.</p> <p>Financial Bank Guarantee:</p> <p>The LICENSEE shall submit a Financial Bank Guarantee (FBG), valid for one year, from any Scheduled Bank or Public Financial Institution duly authorized to issue such Bank Guarantee, in the prescribed Performa (Annexure-IV). Initially, the financial bank guarantee shall be for an amount of Rs. 50/ 25/ 5 Crore (for category 'A/ 'B/ 'C' service areas respectively) which shall be submitted before signing the License agreement. 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 securitised and any additional amount as deemed fit by the Licensor. The amount of FBG shall be subject to periodic review by the Licensor and shall be renewed from time to time till final clearance of all dues.</p> <p>The Fees, charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitised by furnishing FBG of an amount equivalent to the estimated sum payable annually in the proforma annexed, to WPC, valid for a period of one year, renewable from time to time till final clearance of all such dues.</p> <p>Initially, the Bank Guarantees 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 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 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>Without prejudice to its rights of any other remedy, LICENSOR may encash Bank Guarantee (FBG as well as PBG) in case of any breach in terms & conditions of the LICENSE by the LICENSEE.</p>
CMTS	<p>The licensee shall submit a Financial Bank Guarantee (FBG), valid for one year, from any Scheduled Bank or Public Financial Institution duly authorized to issue such Bank Guarantee, in the prescribed Performa annexed. Initially, the financial bank guarantee shall be for an amount of Rs. 50, 25 & 5 Crore for category 'A' 'B' & 'C' service areas respectively which shall be submitted before signing the License agreement. Subsequently, the amount of FBG shall be equivalent to the estimated sum payable annually towards the License fee and other dues not otherwise securitised. The amount of FBG shall be subject to periodic review by the Licensor. The bidder shall also submit Performance Bank Guarantee (PBG) of amount equal to Rs. 20, 10 and 2 Crores for category 'A' 'B' & 'C' service areas before signing the License. The licensee shall be permitted to reduce the value of the PBG by 50% after the coverage criteria prescribed in this License is fulfilled.</p> <p>Initially, the Bank Guarantees 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 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 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>Without prejudice to its rights of any other remedy, LICENSOR may encash Bank Guarantee (FBG as well</p>

Service	Provision of Bank Guarantees
	as PBG) in case of any breach in terms & conditions of the LICENSE by the LICENSEE.
ILD	<p>Performance Bank Guarantee for Roll Out obligations</p> <p>A bank guarantee for Rs. 2.50 crores favouring the licensor guaranteeing due fulfillment of the stipulated roll out conditions in this license is to be submitted in the prescribed proforma before signing the License Agreement. The guarantee will be released as soon as the roll out obligations are met. Non-fulfillment of the roll out conditions within prescribed period will result in encashment of the bank guarantee by the Licensor. This will be without any prejudice to any other action which the Licensor may consider appropriate for failure of the LICENSEE to fulfill License conditions.</p> <p>Financial Bank Guarantee</p> <p>The LICENSEE company shall submit Financial Bank Guarantee (FBG) of Rs. 20 crores within one year from the Effective Date of license agreement or before the commencement of service whichever is earlier in the prescribed Proforma given in the License Agreement. The FBG shall be valid for a period of one year and shall be renewed from time to time for such amount as may be directed by the Licensor. The amount of FBG shall be equivalent to the estimated sum payable for two quarters towards license fee.</p> <p>The Fees, charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitised by furnishing FBG of an amount equivalent to the estimated sum payable annually in the proforma annexed, to WPC, valid for a period of one year, renewable from time to time till final clearance of all such dues.</p> <p>The LICENSEE, on its own, shall extend the validity period of the Financial Bank Guarantee(s) for similar terms at least one month prior to date(s) 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 Financial Bank Guarantee and to convert it 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>Without prejudice to its rights of any other remedy, the LICENSOR may encash the Financial Bank Guarantee(s) in case of any breach, in the terms and conditions of the LICENSE by the LICENSEE.</p>
NLD	<p>Financial Bank Guarantee</p> <p>The LICENSEE shall submit Financial Bank Guarantee (FBG) valid for one year, from any scheduled bank in India or from any Indian Public Financial Institution (IPFI) which is authorised by the appropriate authority to issue the FBG, in the prescribed Performa annexed. The amount of FBG shall be equivalent to the estimated sum payable annually towards the LICENSE fee and other dues not otherwise securitised. The amount of FBG shall be subject to periodic review by the LICENCOR. Initially, the financial bank guarantee shall be for an amount of Rs. 20 crores (Rupees Twenty crores) which shall ;be submitted on or before one year after the date of signing the LICENSE agreement or prior to the commencement of service whichever is earlier. The service shall not be permitted to be commenced unless the FBG is subject.</p> <p>The fees and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitised by furnishing FBG in the proforma annexed of equal amount valid for a period of one year renewable from time to time till final clearance of all such dues.</p> <p>The LICENSEE, on its own, shall extend validity period of the Financial Bank Guarantee for similar terms at least one month prior to the date of its expiry without any demand or notice from the LICENCOR 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 Financial Bank Guarantee and to convert it into a cash security, without any reference to the LICENSEE and at his risk and cost. No interest or compensation whatsoever shall be payable by the LICENSOR on such encashment.</p> <p>Without prejudice to its right of any other remedy, the LICENSOR may encash the FBG in case of any breach, in the terms and conditions of the LICENSE by the LICENSEE.</p>
IP-II	<p>The Licensee shall submit Bank Guarantee (BG) from any Scheduled Bank in India, for an amount of Rs. 100 crores in the prescribed proforma annexed, before signing the License Agreement for ensuring full compliance of License conditions including timely payment of License Fee and other dues/ fees/ royalty for use of spectrum/ possession of wireless telegraphy equipment. Initially the BG shall be valid for a period of</p>

Service	Provision of Bank Guarantees
	<p>two years and shall be renewed from time to time till the expiry of LICENSE.</p> <p>The LICENSEE, on its own, 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 the LICENSE and entitle the LICENSOR to encash the Bank Guarantee 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>Without prejudice to its rights of any other remedy, LICENSOR may encash BG in case of any breach in terms & conditions of the LICENSE by the LICENSEE.</p>
VSAT Comm.	<p>Performance Bank Guarantee</p> <p>LICENSEE shall maintain throughout the period of the LICENSE a Performance Bank Guarantee (PBG) in the prescribed format for Rs. 50 lakhs initially valid for one year. The PBG will be encashed for violation of any of the terms and conditions of the license agreement. The PBG shall be submitted before the license agreement is signed and shall be in addition to the BG submitted towards roll out obligation.</p> <p>The LICENSEE shall also submit along with entry fee a Performance Bank Guarantee (PBG) in the prescribed format for Rs. 10 lakhs valid for eighteen months towards meeting the roll out obligation.</p> <p>In the event of non commissioning of service within the first year, another Bank Guarantee for an amount of Rs. 10 Lakhs valid for 18 months shall be submitted. Wherever the service is not commenced till the expiry of first year from the effective date of LICENSE, the first Bank Guarantee of Rs. 10 Lakhs submitted along with Entry Fee shall be encashed and forfeited by the LICENSOR. The second Bank Guarantee shall be encashed and forfeited on expiry of two years from the effective date of LICENSE for non commencement of service and the LICENSE shall be liable for termination. The Bank Guarantee will be returned on satisfactory completion of Roll Out Obligation.</p> <p>Financial Bank Guarantee</p> <p>At the time of signing the License Agreement, the Financial Bank Guarantee (FBG) for Rs. 30 lakhs (equivalent to entry fee), valid for six months is to be submitted. Thereafter, The VSAT LICENSEE shall submit a Financial Bank Guarantee (FBG), valid for one year, from any Scheduled Bank in India or from any Indian Public Financial Institution (IPFI) duly authorized to issue such Bank Guarantee, in the prescribed format. The amount of FBG shall be equivalent to an estimated sum payable for two quarters towards LICENSE Fee and other dues not otherwise securitised. The amount of FBG shall be subject to periodic review by the LICENSOR.</p> <p>The LICENSEE, on its own, shall extend the validity period of the Bank Guarantee(s) for similar terms at least one month prior to date(s) 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 Guarantee(s) and to convert it 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>The Fees, charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitised by furnishing BG of an amount equivalent to the estimated sum payable annually in the Performa prescribed by WPC, to WPC, valid for a period of one year, renewable from time to time till final clearance of all such dues.</p> <p>Without prejudice to its rights of any other remedy, the LICENSOR may encash the Bank Guarantee(s) in case of any breach, in the terms and conditions of the LICENSE by the LICENSEE.</p>
PMRTS	<p>Financial Bank Guarantee</p> <p>The licensee shall submit a Financial Bank Guarantee (FBG), valid for one year, from any scheduled bank in India, or Indian Public Financial Institutions (IPFI) in the prescribed format at Annexure 5. The amount of FBG shall be Rupees one lakh or an amount equivalent to the License Fee of the last two quarters of the previous year and other dues not otherwise securitized, which ever is higher. The FBG will be valid initially for one year and is to be maintained for the entire period of the License Agreement and till final clearance of all such dues. The amount of FBG shall be subject to periodic review by the Licensor.</p>

Service	Provision of Bank Guarantees
	<p>The fees charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitized by furnishing BG as required by WPC. The bank guarantee shall be valid initially for a period of one year and is to be maintained for the entire period of the License Agreement till final clearance of all such dues.</p> <p>The LICENSEE, on its own, shall extend the validity period of the Bank Guarantee(s) for similar terms at least one month prior to date(s) 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 Guarantee(s) 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>Without prejudice to its rights of any other remedy, Licensor may encash BG in case of any breach in the terms and conditions of the LICENSE by the LICENSEE.</p>
Captive VSAT	<p>The LICENSEE shall submit a Financial Bank Guarantee (FBG), valid for a period of one year, from any scheduled bank in India, in the prescribed proforma at Annexure-II. Initially, the Financial Bank Guarantee shall be for an amount of Rs. 30 lakhs which shall be submitted before signing the License Agreement. Subsequently, the amount of FBG shall be equivalent to the estimated sum payable annually towards the License Fee. The amount of FBG shall be subject to periodic review by the LICENSOR.</p> <p>The LICENSEE shall also submit a Performance Bank Guarantee (PBG) of Rs. 50 lakhs (in the prescribed proforma at) valid for one year, before signing the License Agreement.</p> <p>Initially, the Bank Guarantee 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 for similar terms at least one month prior to its date of 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>Without prejudice to its rights of any other remedy, Licensor may encash BG in case of any breach in the terms and conditions of the LICENSE by the LICENSEE.</p>

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“Don't procrastinate.
Do it now!”

Annexure-III

Form of Performance 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 to M/s _____ of _____ (hereinafter called 'the LICENSEE') to establish, maintain and operate _____ Service) (hereinafter called 'the SERVICE') as per Letter of Intent 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 _____) for the service by way of security for the due observance and performance of the terms and conditions of the said 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 render all necessary and efficient services which may be required to be rendered by the LICENSEE in connection with and/or for the performance of the said LICENSEE and further guarantees that the service which shall be provided by the LICENSEE under the said License, shall be actually performed in accordance with terms & conditions of the LICENSEE to the satisfaction of 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 breach by the said LICENSEE of any of the terms and conditions contained in the said License including failure to extend the validity of this guarantee or to give a fresh guarantee in lieu of the existing one.

3. We, the Bank hereby, in pursuance of the terms of the said License, absolutely, irrevocably and unconditionally guarantee as primary obligor and not merely as surety the payment of an amount of Rs. _____ (Rupees _____ only) to the Authority to secure due and faithful performance by the LICENSEE of all his/ their obligations under the said License.

4. We, the Bank hereby also undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Authority stating that the amount claimed is due by way of loss or damage caused or would be caused to or suffered by the Authority by reason of breach by the said LICENSEE of any of the terms or conditions contained in the said License or by reason of the licensee's failure to perform any of its obligations under the said License."

5. We, the Bank, hereby agree that the decision of the Authority as to whether the LICENSEE has failed to or neglected to perform or discharge his duties and obligations as aforesaid and/ or whether the service is free from deficiencies and defects and is in accordance with or not of the terms and conditions of the said License and as to the amount payable to the Authority by the Bank hereunder shall be final and binding on the Bank.

6. WE, THE BANK, DO HEREBY DECLARE AND AGREE that:

the Guarantee herein contained shall remain in full force and effect for a period of Three 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.

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.

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.

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.

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

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)

Witnesses:

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

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*We are what we repeatedly do.
- Aristotle*

Annexure-IV

Form of Financial Bank Guarantee

To:
The President of India

In consideration of the President of India (hereinafter called 'the Authority') having agreed to grant a License to M/s _____ of _____ (hereinafter called 'the LICENSEE') to establish, maintain and operate _____ (hereinafter called 'the SERVICE') in _____ circle (Name of Circle) in accordance with the Letter of Intent/ License No. _____ dated _____ (hereinafter called 'the 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. 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.....
-
-

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*A Man Should Learn To Detect And Watch That Glean Of Light
Which Flashes Across His Mind From Within, More Than The Luster
Of The Firmament Of Bards And Sages. Yet He Dismisses Without
Notice His Thought, Because It Is His. In Every Work Of Genius We
Recognize Our Our Own Rejected Thoughts: They Come Back To Us
With A Certain Alienated Majesty.*

- Ralph Waldo Emerson

J. Circulars and Orders Relating to License Fee

DOT No. 10-3/2000- BS-II dated 09.04.2001	
<i>To BSNL</i>	
<p>Subject: License Fee for Provision of Basic Telephone/ National Long Distance Service.</p> <p>References: (i) License No. 10-3/2003-BS-II dated 29th September 2000 (ii) DOT letter No.10-2/2000-BS-II dated January 25, 2001.</p>	
<p>In pursuance of the subject mentioned references, the undersigned is directed to state that based on the recommendations of Telecom Regulatory Authority of India (TRAI), the competent authority has decided as follows:</p>	
<p>(i) The annual license fee as percentage of Annual Gross Revenue (AGR) for Basic telephone Service shall be payable @ 12%, 10% and 8% for Category 'A', 'B' and 'C' circles as per the list enclosed.</p>	
<p>(ii) The license fee as percentage of Annual Gross Revenue (AGR) for National Long Distance Service shall be payable @ 10% plus prescribed contributions towards the Universal Service Obligation (USO) fund with a total cap of 15%. Presently USO is 5% of Annual Gross Revenue (AGR).</p>	
<p>(iii) The above decisions are effective from 1.10.2000.</p>	
<p>(iv) The license fee can be reimbursed subject to fulfilling social and other obligations as stipulated in NTP '99 at the behest of the Government and not covered by USO.</p>	
<p>(P.K. Mittal) DDG (BS)</p>	
<p>Enclosure</p>	
<p>License Fee Payable by Licensees for Provision of Basic Telephone Service in Different Categories of Circles</p>	
Telecom Circles	% of revenue as license fee
Category 'A' Circles	
Andhra Pradesh	12%
Delhi	12%
Gujarat	12%
Karnataka	12%
Maharashtra (including Mumbai & Goa)	12%
Tamil Nadu (including Chennai)	12%
Category 'B' Circles	
Haryana	10%
Kerala	10%
Madhya Pradesh (including Chattisgarh)	10%
Punjab	10%
Rajasthan	10%
U.P (West) (including Uttaranchal)	10%
U.P (East)	10%
West Bengal (including Calcutta)	10%
Category 'C' Circles	
Andaman & Nicobar	8%
Assam	8%
Bihar (including Jharkhand)	8%
Himachal Pradesh	8%
Jammu & Kashmir	8%
North East	8%
Orissa	8%

DOT No. 1-6/2001-LF dated 08.10.2002

To: CCAs Delhi, Tamil Nadu, Karnataka, Kerala, Orissa, UP (E), Andhra Pradesh and Rajasthan

Subject: Transfer of Work relating to Licensing Finance Functions in respect of Cellular and Basic Services to the Office of Controller Communication Accounts (O/o CCA) - Reg.

Reference: O.M. No. 34-31/2000-SEA dated 30.01.2001

Attention is invited to the orders contained in the Office Memorandum (para 8 refers) referred to above, whereby the work relating to "Collection of License Fee in the form of Revenue Sharing from various operators on behalf of the Government" has been delegated to the O/o CCA.

2. It has been decided that the work relating to collection of License Fee in the form of Revenue Share in respect of Cellular and Basic Services would be handled by the O/o CCA in pursuance of the above mentioned order. In this connection the discussion held at the Workshop conducted on 25.09.2001 on the subject may kindly be recalled. A detailed schedule of activities that are proposed to be undertaken for the smooth transition of work from DOT HQ to O/o CCA is summarized below for strict compliance.

3.1 The date of effect:

The actual date of effect of transition of work to O/o CCA is 01.01.2003. The license fee payments which are collected quarterly in advance for the financial year 2002 03 are due on 1.4.2002, 1.7.2002, 1.10.2002 and 1.1.2003. The licensees have been allowed a period of 15 days from the commencement of quarter for payment of License Fee. Thus the last date for payment of license fee is 15th of the month of commencement of the quarter. The LF section at DOT HQZ has already collected the License Fee fee/ the initial two quarters of the current Financial Year from some of the licensees and will continue to collect the payment upto 31.12.2002. However, from 01.01.2003, the O/o CCA would be collecting the License Fee pertaining to quarter beginning 01.01.2003 in addition to any left over payments for the current financial year. All adjustments/ short payments pertaining to period prior to 01.04.2002 shall continue to be collected by DOT HQ.

3.2 Submission of returns on collection of License Fee:

Since the collection of License Fee is being monitored at the highest level, instant communication of collections received by O/o CCA to the DOT Hqtr is of utmost importance. It is, therefore, requested that as soon as the collections are received, a report (Proforma at Annexure-A) is sent on the same day by FAX followed by a postal confirmation. In addition, a Monthly report on the collections received during the month is also required to be sent. If there are no payments received during a month, a "NIL" report is required to be sent invariably. It must be ensured that the amount mentioned in the monthly report tallies with the booked figure under relevant head in the CAC of the month. If there are any differences, the reasons for the same are to be furnished. The due date for receipt of Monthly Report (Proforma at Annexure-B) is 5th of the following month. All payments should be in the form of DD/ Pay order only.

Being high value DD/ Pay order, it may be ensured that they are deposited on the same day and also the clearance of the same watched.

3.3 Classification of Payments:

The quantum of License Fee depends on the percentage of Adjusted Gross Revenue (AGR) as defined in the License Agreement. The rates of License Fee are 12%, 10% and 8% in respect of Circles in the category of "A", "B" and "C" respectively. The list of Circles/ Metros classified under A, B and C are furnished in Annexure-C. An apportionment of Revenue Share is to be made by classifying 5% of the AGR under Universal Service Obligation (USO) irrespective of any category of Circles and remaining to License Fee is to be effected. For example, in respect of Category A circle, 7% of AGR is classified under License Fee and 5% under USO. The detailed account head is also furnished in Annexure-C.

3.4 Maintenance of FBG:

At present Financial Bank Guarantees (FBG) and Performance Bank Guarantees (PBG) are maintained at DOT Hqrs. to guard against default of any payment or breach of any license conditions as per the provisions of the license agreement. All the original Financial Bank Guarantees along with the annexures etc. will be handed over to the respective O/o CCA who shall be required to personally receive the same. However, the PBGs will continue to be held at DOT HQs. A detailed instruction on the maintenance of the Bank Guarantees is placed at Annexure-D. The formats of the registers to be maintained for the maintenance of the Bank Guarantees are also enclosed. Since the Bank Guarantees are an integral part of the License Agreement, timely renewal and proper upkeep of the Guarantees is to be ensured.

3.5 Calculation of Interest/ Penalty on delayed payment:

According to the provisions of the amendments signed by the licensees, interest on delayed payment of License Fee at the rate of PLR + 5% is leviable. The interest shall be compounded monthly and a part of the month shall be

reckoned as a full month for the purpose of calculation of interest. In addition, in case the amount paid on the self assessment falls short by more than 10% of the payable license fee, a penalty of 150% of the entire amount of short payment is leviable. However, if such short payment is made good within 60 days from the last day of the financial year, no penalty shall be imposed.

4. Maintenance of records:

The following registers are to be maintained at the O/o CCA in order to ensure timely submission of various returns as explained above.

- (i) Collections Register: This register is intended to record the collections from the licensees on day-to-day basis and format for the same is enclosed at Annexure-E.
- (ii) Revenue Share Register: This Register is intended to record the AGR as per affidavit and the Revenue Share payment for each quarter. This register is maintained service-wise/licensee-wise. This register forms the basis for finalisation of revenue share at the year end. The format for the same is enclosed at Annexure-F.
- (iii) Bank Guarantee Register: The details of FBG of the licensees are recorded in a register for monitoring purposes. Any extensions or replacements are recorded in the register. The format of this register is given at Annexure-G.

5. List of documents to be handed over to O/o CCA:

The following documents will be handed over to the representative of O/o CCA who shall personally receive the same under acquittance.

- (i) Details of Revenue Share collected pertaining to Financial Year 2002-03 Circle/ Licensee-wise.
- (ii) Affidavits/ quarterly statements furnished by the licensees for the 1st three quarters of the current financial year.
- (iii) Copies of license agreements/ amendments signed by the licensee.
- (iv) Original FBG along with extension letters, if any.

6. Revenue Share from MTNL/ BSNL/ VSNL:

All transactions relating to these organizations shall continue to be dealt at the Headquarters itself and it is not proposed to decentralize the work relating to these units at this stage.

7. Time Schedule:

The collection of revenue share from the licensees at O/o CCA is to commence from 01.01.2003. Hence all the Heads of O/o CCA are requested to arrange for collection of their above mentioned documents from DOT Headquarters, New Delhi. Doubts regarding the modalities shall also be clarified to the representative deputed here. A separate communication in this regard shall follow.

8. License agreement & Amendments thereof:

It must be ensured that the license agreement and the amendments thereof are thoroughly studied. Notwithstanding anything contained in this letter, the terms and conditions as stipulated in the License Agreement and amendment thereof with particular emphasis on the financial conditions may be adhered to scrupulously.

9. Powers to be exercised by O/o CCA *vis-a-vis* the Licensees:

No action shall be initiated by the O/o CCA in terms of the conditions of the License Agreement and its amendments thereof except for invocation of the Financial Bank Guarantees in case of its non-renewal and non-payment of License Fee. Such powers shall be exercised only with the approval of the Head of the O/o CCA. Intimation regarding initiation of such action shall invariably be reported to the DOT HQ.

ANNEXURE-A

DEPARTMENT OF TELECOMMUNICATIONS

Office of the Controller of Communication Accounts
 _____(Name of the Circle)

Daily Report of License Fee received from Cellular/ Basic Service Operators on _____

In Rupees

Sl. No	Name of Licensee	Circle/ City	Service	% of Revenue Share	Name of the Bank	DD/ Pay order No. and date	Challan No.	LF Period	Date of Receipt	Gross Amount received	Amount (LF)	Amount (USO)
1												
2												
3												
4												

ANNEXURE BDEPARTMENT OF TELECOMMUNICATIONS
Office of the Controller of Communication Accounts

_____ (Name of the Circle)

Monthly Report on the Collection of License Fee from Cellular/ Basic Service Providers for the month of _____
In Rupees

Sl. No	Name of Licensee	Circle	Service	% of Revenue Share	Date of Receipt	DD/ Pay order Amt	Amount (LF)	Amount (USO)	Head of Account in which classified	
									LF	USO
1	2	3	4	5	6	7	8	9	10	11
1										
2										
3										
4										

ANNEXURE C

CATEGORIZATION OF SERVICE AREAS IN CELLULAR MOBILE TELEPHONE SERVICE AND BASIC TELEPHONE SERVICE

SL. No.	SERVICE AREA	CATEGORY	
		BASIC	CELLULAR
1.	Andhra Pradesh	A	A
2.	Chennai	-	A
3.	Delhi	A	A
4.	Gujarat	A	A
5.	Karnataka	A	A
6.	Kolkata	-	A
7.	Maharashtra	A	A
8.	Mumbai	-	A
9.	Tamil Nadu	A	A
10.	Haryana	B	B
11.	Kerala	B	B
12.	Madhya Pradesh (including Chattisgarh)	B	B
13.	Punjab	B	B
14.	Rajasthan	B	B
15.	Uttar Pradesh (including Uttranchal)	B	B
16.	West Bengal	B	B
17.	Andaman & Nicobar	C	C
18.	Assam	C	C
19.	Bihar (including Jharkhand)	C	C
20.	Himachal Pradesh	C	C
21.	North East	C	C
22.	Jammu Kashmir	C	-
23.	Orissa	C	C

Note: In respect of Basic Service there are no separate Metro Circles. Hence, Chennai, Kolkata and Mumbai are part of their respective territorial circles.

CLASSIFICATION OF ACCOUNT HEADS

Classification	Account Head
Revenue share of Cellular Mobile Service	1275 – 00 – 104 – 01
Revenue share of Basic Service	1275 – 00 – 104 – 02
Universal Service Levy irrespective of any service	1275 – RAT (USO)
Telecom Deposits – Non Bearing interest – OTD	8447001011205

ANNEXURE D**MAINTENANCE OF BANK GUARANTEE**

The LF section is maintaining Performance Bank Guarantee (PBG) and Financial Bank Guarantee (FBG) issued by the Licensee's Bankers in favour of 'The President of India, acting through Telegraph Authority' to guard against any default in payment or deficiency in service of the licensee. Consequent on the decentralization of functioning of LF Branch at DOT Headquarters, Financial Bank Guarantees are being made over to the concerned O/o CCA. A brief summary of action to be taken for maintenance/ upkeep of the Bank Guarantees is furnished below:

1. The value of the FBG is prescribed in the amendments to the License Agreement signed consequent on the migration of old operators and in the financial conditions of the new agreement in the case of new operators.
2. The validity period of Bank Guarantee is ONE YEAR. It is the responsibility of the licensee for timely renewal of the Bank Guarantee. The licensee is expected to renew the Guarantee one month prior to the expiry of the Bank Guarantee. In case of any default in renewal of the same, a telephonic reminder may be given to the licensee at least 15 days before the expiry of the same which is not mandatory. In case the licensee fails to renew the Bank Guarantee, a written letter to the Bank is sent asking for the proceeds of the guarantee with a copy to the licensee. A model letter is enclosed herewith. Invocation letter should be signed by an officer not less than the rank of Chief Accounts Officer. No prior approval of DOT HQs is required for invocation of Bank Guarantee in case of default in renewal. However, if the licensee furnishes the renewal of the Bank Guarantee, then the invocation letter to Bank is withdrawn with due intimation to the licensee. The proceeds of the Bank Guarantee if received are to be credited under 'Major Head 8447001011205 (TACT Code 58) - Telecom Deposits - Non Bearing Interest - Other Telephone Deposits' till it is disposed off.
3. In some cases, the licensee furnishes a fresh Bank Guarantee from a different Bank in lieu of extension. In such cases, the old Guarantee is returned to the issuing Bank with a covering letter copy to the Licensee after verifying that the new Bank Guarantee is found in order.
4. In case of default in payment of License Fee, a written reminder (time bound) is to be sent to the licensee intimating the status of outstanding dues with a polite warning of impending action against the default.
5. All Bank Guarantees of the licensees, Licensee-wise/ Service-wise, are entered in a Bank Guarantee Register, (a model of the same is annexed). This register contains the details of BG No. & Date, Amount, Bank Name and Expiry date. Any amendments in the Bank Guarantee with regard to its period or the value are entered in the register. The Bank Guarantees are to be kept under lock and key with a responsible officer. In addition, a control register to watch the renewal of these Bank Guarantees (a model of the same is enclosed) are also required to be maintained to ensure timely renewal which should be gone through as frequently as possible to avoid any lapse.

(Letter No.)
Government of India
Ministry of Communications
Office of the Controller of Communication Accounts
_____ Circle

Dated

To,
(Bank)

Sirs,

Subject: **Guarantee given by you on behalf of M/s____(Licensee) – reg.**

We are in possession of the following guarantees given by your bank by way of security on behalf of the above mentioned company for their due observance and performance of their contractual obligations/ duties in accordance with license agreement entered into with this Department for operation of Cellular/ Basic Service.

Sl. No.	Guarantee No. & Date	Amount	Valid upto

2. It has been found that the above mentioned licensee has failed to discharge their contractual obligation by their failure to extend the validity of the above mentioned guarantee as per the terms and conditions of the license agreement. This has caused loss/ damage to the licensor by reason of failure of the licensee in non-complying with the terms and conditions of the license agreement.

3. In view of the above, I have been directed to say by this communication that the ENTIRE value of the above mentioned guarantees be paid and sent. You are accordingly requested to remit the proceeds of the said guarantees forthwith through a PAY ORDER/ DEMAND DRAFT payable at _____ drawn in favour of "Communication Accounts Officer, O/o Controller of Communication Accounts, _____ Circle".

Yours faithfully,

Dy. Controller of Communication Accounts

Copy to,
(Licensee)

ANNEXURE E

COLLECTIONS REGISTER

SERVICE:											
Pay order/ DD No.	Pay order/ DD Date	Bank Name	Licensee from whom received	Service Area	Date of receipt	Amount received (Rs.)			Date of remittance to PAO	Date of Clearance	Remarks
						License Fee	USO	Total			

ANNEXURE F

REVENUE SHARE REGISTER

Name of Licensee:

Circle:

Quarter Beginning	Gross Revenue	PSTN Charges	Roaming Revenue of other Service Providers	Service Tax	Net Revenue (AGR)	Provisional Revenue Share paid	Date of Payment	Remarks

Note: The payment received for 4th quarter should not be less than the amount paid for the previous quarter.

ANNEXURE G

BANK GUARANTEE REGISTER

M/s. ABC LTD

NAME OF THE CIRCLE

Sl. No.	Name Of The Bank	Guarantee No/ Date	FBG/ PBG	Amount	Valid Up to	Remarks
1	State Bank of India	4/75 Dt.2.5.01	FBG	1000000	1.5.03	
2	Central Bank of India	X242 Dt. 5.5.01	FBG	10000000	4.5.03	
3	Deutsche Bank	8/9/05 Dt. 8.5.01	FBG	10000000	7.5.03	

NOTE: DOT No. 1-6/2001-LF dated 08.12.2003, with the same contents was sent to CCAs Assam, Bihar, Madhya Pradesh, Gujarat, Haryana, Himachal Pradesh, Andaman & Nicobar, Maharashtra, North East, Punjab and UP (West).

DOT No. 1-6/2004/FBG/ dated 16.02.2004

Subject: **Maintenance of Financial Bank Guarantee**

Presently the FBGs for various Basic/ UASL and Cellular Operators (except MTNL) are being maintained by the CCAs. The following decisions have been taken with respect to maintenance of FBGs.

1. Review - Review of FBGs from now onwards shall be carried out on a quarterly basis to decide on the appropriate quantum of Financial Bank Guarantee.
2. Encashment of FBG - The FBG can be encashed by the CCAs, under intimation to DOT HQ in case, in the following cases.
 - a. FBGs are not renewed in time (as already specified - one month in advance before expiry)
 - b. Operators have not submitted an FBG for an appropriate amount as directed by CCAs.
3. Additional Bank Guarantee - In some cases it is found that there is a substantial jump in the license fee, requiring a revision in the FBG amount. It is now decided that fresh BG or additional BG shall be asked from the operators, in case there is a 25% jump in the quarterly license fee.
4. The revised percentage rates of revenue share to be collected from Basic and Cellular Service Operators have already been conveyed vide endorsement no. 17-11/2002-LF dated 29/1/2004. The same is enclosed for ready reference.*

The new rates are applicable from 01.04.2004 and revenue shares at these rates will be due for payment by 15.7.2004.

In view of this reduction it has been decided that the operators, can be permitted to offer revised FBG for a proportionately lower amount, only after 15.4.2004, provided the 4th quarter (03-04) revenue share has been paid.

For example if the present highest quarter License Fee is Rs. 5 Cr the existing FBG is for an amount of Rs. 11 crores. With effect from 15.4.2004 the FBG will be for an amount of 8.8 crores, in case the rate has come down from 10% to 8% (i.e. Category B circle).

In addition to this reduction, for the first two circle cellular operators (licenses awarded before 1999), there is an additional relief of 2%. (Copy of relevant orders enclosed). The FBG amounts in their cases will be governed accordingly.

This revision in FBG will be allowed even if the Bank Guarantees are due for expiry at a later date. In any case the review will be again due in the next quarter.

5. Reduction in FBG of BSOs was on account of migration to UASL - After migration all BSOs have to follow the same set of financial conditions including FBGs, as in the 4th cellular license agreements (licenses awarded in the 2001). Therefore, the migrating BSOs have to submit FBGs in line with what is submitted by the 4th cellular licensees.

The above is for necessary action at your end. Please feel free to interact for any further clarification.

Encl: 3 as above

*This circular was not readily available.

Enclosures

**No. 842-47/2002-VAS (Part)/14/10 dated 27.1.2004
to all Cellular Mobile Services Licensees**

Subject: Amendment in the License Agreements for Cellular Mobile Telephone Service (CMTS) Licenses with respect to License Fee

The undersigned is directed convey the approval of competent authority for amendment in the CMTS license agreement in respect of license fee and that the license fee shall be payable at a revised rate given below with effect from 01.04.2004:

CMTS Service Area	Present Rate of License Fee	Revised Rate of License Fee
Delhi, Mumbai, Chennai, Kolkata, Andhra Pradesh, Gujarat, Kamataka, Maharashtra, Tamil Nadu	12% of Adjusted Gross Revenue	10% of Adjusted Gross Revenue
Haryana, Kerala, Madhya Pradesh, Punjab, Rajasthan, UP (West), UP (East), West Bengal	10% of Adjusted Gross Revenue	8% of Adjusted Gross Revenue
Assam, Bihar, Himachal Pradesh, Jammu & Kashmir, North East, Orissa	8% of Adjusted Gross Revenue	6% of Adjusted Gross Revenue

2. Other terms and conditions of the license agreements remain unchanged.

Enclosure

**No. 842-47/2002-VAS (Part)/14/20 dated 28.01.2004
sent to first and second operators**

Subject: Amendment in the License Agreements for Cellular Mobile Telephone Service (CMTS) Licenses

In continuation of letter No. 842-47/2002-VAS (Part)/14/10 dated 27.1.2004 regarding reduction in License Fee w.e.f. 01.04.2004, the undersigned is directed to convey the approval of competent authority for amendment in the license agreements relating to license fee with effect from 01.04.2004 that license fee shall be further reduced by 2% of Adjusted Gross Revenue (AGR) for a period of 4 years w.e.f. 01.04.2004 subject to minimum of equivalent to a contribution for Universal Service Obligation Fund which is 5% of AGR at present. Accordingly, the license fee shall be charged at a rate of 6% of Adjusted Gross Revenue for a period of four years w.e.f. 01.04.2004.

DOT No. 1-6/2001-LF dated 28-05-2004

Subject: Transfer of Work relating to Licensing Finance Functions in respect of NEW UASL to the Office of Controller

of Communication Accounts (O/o CCA) and a Review of earlier Instructions - Reg

References: (1) 1-6/2001-LF dated 8-10-2002

(2) 1-6/2001-LF dated 8-12-2003

(3) 1-6/2004/FBG dated 16-02-04

1. Attention is invited to the Office Memorandum referred to at (1) and (2) above, whereby the work relating to collection of license fee in the form of revenue share and maintenance of Financial Bank Guarantees in respect of various Basic and Cellular licenses was decentralised to the respective offices of Controllers of Communications Accounts (CCA).

Subsequently, all the Basic Service licenses have migrated to Unified Access Service Licensing Regime, (except BSNL and MTNL). Several new Unified Access Service Licenses have also been issued.

It has therefore been decided that, the collection of license fee and maintenance of FBGs in respect of new Unified Access Service Licenses, in addition to existing Basic (now migrated to UASL) and Cellular licenses, will also be handled by the respective offices of the CCA or Jt. CCA with immediate effect.

The FBGs in respect of new unified access service licenses (UASL) received in this office along with a copy of the concerned license agreement are being passed on to respective Communication Accounts Units in parallel.

2. Para 3.2 of this OM dated 8th Dec. 2003 (reference 2 above) may be seen. The licensees have to make License Fee payments by Demand Draft or Pay Order. These payments being of high-value must be deposited promptly in the concerned bank (preferably on the same day,) and the credit personally monitored by the head of the unit.

From June 2004 onwards, information about the date of receipt of license fee, date of deposit to the Bank and affording of credit by the Bank in respect of each receipt of the past month should be sent to DOT HQ. The existing proforma for the monthly statement be augmented to include this information.

3. Instances have come to the notice of this office where quarterly payments from licensees have been refused on the plea that these were not supported by Affidavit and AGR statement. It is clarified that under no circumstances should the license fee payments be refused. However, the licensee shall be immediately handed over a letter informing him of his lapse and asking him to submit the required/ prescribed documents within a week. A sample format is enclosed herewith.

4. Your attention is further invited to this office letter under reference at (3) above. In addition to the instructions therein you are required, for more effective control over Financial Bank Guarantees, to ensure that the Bank Guarantee Register is reviewed periodically by yourself and the other officers with at least a monthly review by you as the head of the Unit. A monthly report should be sent to DOT HQ in the form of certificate from the head of the CCA unit, stating that Bank Guarantees have been reviewed during the month and there have been no lapses in this regard. This report should invariably be sent in the first week of following month.

5. Computation of the FBG amount - The practice presently followed to compute the amount of FBG is that the highest amount of Quarterly license fee paid by a licensee in the previous four quarters is multiplied by two and this resulted amount is enhanced by 10% to provide for expected growth in Gross revenue of Licensee Company in future.

It has been decided by the competent authority that henceforth an arithmetic mean, of the quarterly amounts of license fee paid by operators during the last four quarters, be taken as the base, (instead of the highest quarterly license fee), multiplied by two and the resultant enhanced as usual by 10% to arrive at the quarter of FBG to be demanded from the operator at the time of review.

The amount may be revised upwards in case the department considers it necessary to secure its interest. A regular review of FBG's may however be carried out on a half yearly basis. This will be applicable to all licensees under the revenue sharing regime.

With regard to reduction of FBG amounts following the reduction of license fee percentages announced by the government (ranging from 2% to 4% of the AGR) for the Cellular, UASL and Basic service licensees w.e.f. 1st April 2004, the amounts of FBGs of these licensees are to be reviewed on the line suggested above immediately. The outcome of such review in view of the reduction in the rates of license fee may however be implemented for a licensee only after ensuring that licensee has paid his dues up-to-date.

6. The heads of the Communications Accounts Units are also required to reconcile a license fee collected as is stated out in the monthly report with that recorded in the accounts of the Unit. You are also requested to prepare a statement of such reconciliation for the year 2003-04 and forward the same to HQ within a fortnight.

7. The quarterly Affidavits and the AGR statements submitted by the licensees may be sent to HQ within a fortnight after retaining the original in your office. The copy sent here may be duly authenticated.

8. All other past instructions remain unchanged except for those as stated above.

Enclosures

Department of Telecommunications
O/o the CCA

To:
M/s.....

Subject: **Submission of Accounting Documents**

We have received an amount of Rs. towards the license fee for the period In respect of the license No. dated.....

It is noted that the affidavits and the AGR statement as required under conditions..... of the license agreement has not been submitted.

You are directed to submit the documents within a week, failing which the department will take suitable action as deemed fit under the license conditions.

MONTHLY STATEMENT PROFORMA

DEPARTMENT OF TELECOMMUNICATIONS
Office of the Controller of Communication Accounts
_____ (Name of the Circle)

Due Date: 5th day of the Month

Monthly Report on the Collection of License Fee from Cellular/ Basic Service Providers for the Month of _____

In Rupees

Sl. No	Name of Licen-see	Circle	Service	% of Rev- enue Share	Date of Receipt	DD/ Pay order Amt	Amt. (LF)	Amt. (USO)	Head of Account in which classified		Date of deposit in the Bank	Date of cr. given by Bank	Remarks
									LF	USO			
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1													
2													
3													
4													

ENCL. (i) Photo Copies of Challan
(ii) Authenticated Copy of AGR/ Affidavit

DOT No. 17-20/2003/BSNL/LF dated 10.01.2005

Subject: **License Fee of BSNL; Regarding**

Kindly find enclosed copy of Secretary, Department of Telecom D.O. No. of even dated 29.12.2004 for your information and necessary action.

The License Fees/ Revenue Share received may be accounted for as per extant instructions.

Enclosure

**Secretary DOT D.O. No.17-20/2003-LF(BSNL)(Pt.I) dated 29.12.2004
to CMD BSNL**

This is in continuation of our letter dated June 17, 2004 (copy enclosed) regarding the non-submission of AGR statements along with quarterly license fee payments by BSNL which amounted to violation of the financial conditions contained in various telecom service licenses held by it.

Kindly ensure that from the 3rd quarter of 2004-05, service-wise and service area-wise AGR statements are positively submitted (along with the quarterly license fee payments) as per the schedule incorporated in license agreement. The payments in respect of basic and cellular licenses may be got deposited with the respective CCA offices, while those in respect of other services may be paid in the office of the CCA, New Delhi.

DOT No.15-7/2003/LF(pt)/kw dated 09.08.2005

Subject: Verification of Operator-wise Pass-through Charges claimed by a Licensee as Deduction from its Gross Revenue

This is regarding verifying the correctness of the pass-through charges claimed by a licensee as deduction in the audited AGR statements submitted by it. In this regard your attention is drawn to the prescribed AGR statements annexed to the License Agreement copies, which are already available with you. The methodology as to how these AGR Statements are to be drawn up and presented is contained in the respective license agreements.

2. To elaborate further, it is stated that while on one hand the operators have to submit quarterly AGR statements and Affidavits while making the stipulated quarterly payments, On the other hand at the end of the financial year they also have to submit, together with other prescribed documents, duly Audited AGR statements for each quarter. The documents include a report from the Company's statutory Auditor in the proforma prescribed in the License Agreement.
3. DOT headquarters has been carrying out the annual assessment of license fees based on quarterly audited statements as also other disclosures like Annual Financial Accounts/ Reports, Reconciliation statements, etc. This involves verification/ assessment of the gross revenue as well as deductions claimed to arrive at AGR. In most of the cases provisionally assessed thus far it has been found that the operators have not furnished operator-wise details of pass-through charges reduced by them from the gross revenue to arrive at the Adjusted Gross Revenue. While such deductions claimed, for which the gross value has been certified by their Auditor, have not been disallowed, the assessments continue to remain provisional for reasons, inter alia, of what is stated above.
4. In this background it has now been decided to entrust the work of verifying the deductions claimed by the various operators, in respect of already assessed cases through CCAs. To begin with the verification is to be carried out in respect of those Access Services Providers (Basic, Cellular and Unified Access Services) for whom the above-referred CCA offices are engaged in collection of license fee and maintenance/ review of FBGs.
5. A little background of how licenses are organized in a particular Service Area will be relevant at this stage. By and large in a Service Area there are about 4 to 5 Access Service Providers (ASP) and therefore one ASP will have interconnect arrangements of the same order. Besides, they may also have interconnected with NLD and ILD operators for carriage of long distance calls. Therefore, an ASP can legitimately claim deductions in respect of pass-through charges actually paid to other ASP within his Service Area and also to NLD & ILD operators. There may also be cases involving payments of roaming charges to operators even beyond the Service Area.
6. To begin with, the CCA Offices are to verify the deductions claimed in respect of an operator's pass-through charges paid to operators within the same Service Area and to Long Distance operators. In this regard kindly refer to the Audited AGR statements wherein against item "BB" the deductions have been claimed. The CCA Office would need to details showing party-wise breakup of the amounts of deductions claimed together with the relevant underlying commercial arrangements/ agreements, obtain the same, verify whether the claimed amounts were actually paid in the first instance and assess whether these should qualify as deductions under the extant license definitions. It may be noted that charges other than "call charges" are not deductible from Gross Revenue.
7. For the purpose of verification, duly authenticated details must be obtained from the operator, preferably together with an Affidavit. After obtaining these details it may be checked up as to against which operators the maximum pass-through charges have been shown as paid for. These cases may thereafter be checked up with reference to the underlying vouchers/ invoices. In this regard the operators may be addressed to furnish details of about 10% of such payments pertaining to each quarter and summarized results of such verification be sent to DOT (Headquarters) for taking a final view.
8. In order to ensure that deductions claimed in respect of pass-through charges paid to all operators are verified during for the succeeding year, some of those cases which were not verified in the previous year must be taken up and so on. It is mentioned that provisional assessments have already been carried out for most of the financial years starting from 1.8.99 when the revenue sharing structure took effect.
9. It is requested that a suitable officer, at least of the level of Joint CCA, be deputed to DOT (Headquarters) for a day or two so that he can be apprised of the exercise with further details and also handed over the Audited AGR statements and connected documents to proceed with the verification exercise. The time and date can be telephonically ascertained from the undersigned upon receipt of this letter by you.
10. Needless to mention, Member (Production) considers this verification drive as very important and therefore it may be assigned top priority so that the provisional assessments are finalized without delay.
11. Kindly acknowledge receipt.

DOT No. 1-6/2001-LF (Vol.II) dated 21.11.2005

Subject: Instructions regarding Collection and Accounting of License Fee

During the inspections of CCA Offices, the Member (F), Telecom Commission has observed that physical as well as computer records (including subsidiary/ related documents) concerning Bank Guarantees and License Fee payments are not maintained or authenticated properly. It has also been found that prescribed reports are not received from the CCAs in the manner and with periodicity as prescribed. Further, upon a review of the reports received, it is seen that there are various errors in bifurcating the amounts received towards USO and License Fee as also indicating the services category pertaining to the payments.

In view of the above, the following instructions are hereby issued. These are organized under the following heads:

- i) Maintenance of Bank Guarantees
- ii) Collection and accounting of license fee

MAINTENANCE OF BANK GUARANTEES:**(I) Bank Guarantee Registers:**

The proforma in which the Bank Guarantee Register is to be maintained has already been circulated to all CCA offices. These are required to be duly authenticated by the officer concerned. As and when there is an invocation or renewal or release of a Bank Guarantee, appropriate entries must be recorded and duly authenticated in the register itself. The DCCA must carry out a periodical (monthly) check of the register and results of the review brought on record and submit to the head of the office (CCA/ Jt. CCA) through relevant control files.

(II) Review of Bank Guarantees:

a) Review of proforma: As and when a fresh Bank Guarantee (or an amendment due to change of amounts of extension of validity to an existing one) is received, it must be immediately verified word-for-word with reference to the format prescribed in the License Agreement (or in our letter demanding the enhancement/ extension) and in the event of any deviation, the new instrument should be immediately returned to the licensee and he should be directed to set the error right within a reasonable period or face the likely consequences, in terms of License Agreement, of his failure to do so. In the event of non-compliance the existing Bank Guarantee may be invoked with intimation to DOT Hqrs. Care should be taken to ensure that in no case shall DOT be without an effective Bank Guarantee or cash security. As no proforma has been prescribed for renewals/ enhancement etc. to Bank Guarantees, the CCA Offices have to be extra careful when such amendments are received. At the stage of amendment, only those paras need to be amended which state the amounts and/ or period of validity.

b) Monthly review for validity: The Bank Guarantee available with the CCA must be reviewed each month for their validity and all such cases, where the Bank Guarantees have not been renewed in accordance with the License terms, a reminder must be issued giving clear 7 days time to set right the default, beyond which the Bank Guarantee may be invoiced without any further notice and proceeds dealt with in accordance with instruction under Para IV below.

c) Review for amounts required: Review for amounts required shall only be on a six monthly basis in terms of instructions already issued in this regard vide DOT letter of even number dated 28.5.04. Additional Bank Guarantees pursuant to the six-monthly review will need to be obtained no matter what the increase in the requirement is.

(III) Reporting to Headquarters:

Earlier it has been directed that CCAs should furnish a certificate at the end of each month that the Bank Guarantees have been reviewed and there is no case of Bank Guarantee lapsing. From now onwards it is directed that while review has to be carried out as prescribed, the reports be furnished to Headquarters (LF Branch) only on a quarterly basis. These reports should contain the outcome of reviews for validity, amounts required and also the proforma of the Bank Guarantee submitted by various licensees during the quarter. The report in this regard shall accordingly be furnished in the proforma enclosed as Annexure-I to this letter.

While Annexure-I is self explanatory, it is hereby clarified that the remarks column is for recording suitable narration about important events concerning Bank Guarantees and the action taken by the CCA Office in this regard, as the case may be. This report shall be furnished by the Head of the CCA offices. It is also clarified that review of amounts is to be based upon the amounts of License Fee payable as certified by the Licensee through its quarterly AGR Statements and Affidavits and not merely the actual payments made. The first report shall follow immediately upon receipt of this letter and thereafter as on 31st January, 30th April, 31st July, and 31st October and so on. In accordance with these instructions the second report shall become due on January 31, 2006.

(IV) Invocation of Bank Guarantees:

In addition to the above the instances/ occasions when CCA Office can invoke the available Guarantee are

summarized below:

- Proforma of Bank Guarantee not being in order and the licensee failing to rectify the fault within reasonable time.
- The amount of Bank Guarantee falls short of the amount required and licensee fails to submit additional Bank Guarantee.
- The licensee fails to make the requisite quarterly payments even while he has submitted an AGR Statement and Affidavit indicating the license fee payable on self-assessment and the amount remains unpaid upto 7 days from the prescribed date for making such payments.
- Bank Guarantees can also be invoked if the licensee have neither made payment nor submitted the prescribed documents like AGR Statements and Affidavits as also when the licensee have submitted AGR statements in a manner other than the prescribed proforma and fails to rectify the default after a notice period of 10 days.
- It is however clarified that in cases concerning non-payment of amounts demanded by DOT (HQ) upon annual assessment of License Fees, the invocation would be as per directions issued by DOT (Hqrs).

(V) Treatment of Bank Guarantee Proceeds:

In case a Bank Guarantee has been invoked for realizing the amounts due which relate to a quarterly unpaid sum or the demand issued by the Department pursuant to annual license fee assessment, the equivalent portion of the proceeds shall be credited to Revenue Head and the balance to Security Deposit. In such cases a direction has also to go to the Licensee stating the requirement of replenishment of Bank Guarantee to restore the level of security to the required level as per License terms and instant instructions. In all other cases the proceeds shall be credited to the Security Deposit head with appropriate entries in the payments register as also the BG Register. Subsequently when amounts lying in SD are adjusted to outstanding amounts, proper journal entries have to be passed apart from recording explanatory narration in the relevant records. These events must be adequately recorded in the quarterly reports as well.

COLLECTION OF LICENSE FEES AND ITS ACCOUNTING

The revenue shares payable are at prescribed rate applicable to AGR, wherein 5% of AGR is allocable to Universal Access Levy. The Account Codes in this regard have already been circulated. Subsidiary records like revenue share register as also collection register as already prescribed shall continue to be maintained and duly authenticated from time to time.

(I) Reporting of collection to DOT Hqrs.

Proforma in this regard is hereby revised to include items to ensure that the report itself serves the purpose of check and monitoring. The report that must be submitted to DOT Headquarters is now as amended and placed at Annexure II. No daily report is required any further and the report now prescribed shall only be monthly and shall contain all the payments of a particular license, be these quarterly or annual payments.

It must be ensured that the payments as and when received are immediately credited to the Govt. accounts and clearance of the instruments watched. This must be carried out by the concerned Communication Accounts Officer and must be reviewed periodically by the Head of CCA. It must also be ensured that necessary accounting entries are carried out in the monthly accounts. At the end of every 6 months it must be certified by the respective CCAs that the amounts received (making an express mention of the amount received) have been credited to the Government Account and that the same have been also reconciled with the monthly accounts. The total as also the License-wise break up of amounts received should also be indicated in this report.

In so far as the Heads of Accounts are concerned it is mentioned here that although the Department has been allotted detailed heads of account towards Basic, Cellular, NLD, ILD etc., there is no accounting head for recording receipts in respect of UASL Operators. It is hereby clarified that while the subsidiary ledgers and periodical reports be prepared indicating the appropriate service category, the receipt will continue to be classifiable appropriately under the relevant Basic, Cellular heads, in other words, for the new UASL service providers (i.e. Licenses granted after November 2003) the receipts may be recorded against the head of accounts of Basic Service. For the licensees who have migrated to UASL, the receipt would be recorded under the respective categories which they were, before their migration to UASL took effect. For the licensees which continue to remain in basic or cellular category, the amounts received shall be classifiable accordingly.

Accounting of receipts under Universal Access Levy: As per the extant orders the CCA offices are reporting their monthly collection indicating break-up of their receipts between pure License Fee and Universal Access Levy. While either of these components gets credited to the Consolidated Fund of India necessary account adjustments have to be carried out in the monthly cash account prepared by the CCA, to accurately reflect the amounts of Universal

Access Levy so collected. While determining the component of Universal Access Levy vis-a-vis our quarterly payment received during the year is a straightforward process, ambiguity may however exist when the CCA offices received payments from the Licenses pursuant to annual assessment demand raised from DoT HQ. These amounts will also include apart from balance revenue share elements of interest as also penalty. It is mentioned that such interest and penalty are linked to the License Fee structure under revenue sharing and would be classifiable under License Fee and Universal Access Levy. It is hereby clarified that such payments pertaining to earlier years be bifurcated on a pro-rata basis with reference to the applicable rates of revenue share for the financial year to which the payments otherwise pertains to.

With the decentralization of license fee collection for BSNL and MTNL, the CCA offices are also receiving license fees in respect of BSNL's VSAT and NLD services. The amounts received in this regard shall be classifiable in terms of the heads of accounts circulated by the Budget Branch and endorsed by LF Branch of DOT Hqrs.

It has been seen that the CCA Offices are at times not reporting all payment details. This leads to computational error in DOT Hqrs and wastes valuable time in reconciliation. Care must be taken to ensure that such cases do not occur.

(II) Submission of documents to DOT Hqrs:

Instructions already exist that the supporting affidavits and the AGR Statements received from the Licensees are to be forwarded to DOT Headquarters. However these are not received from all the CCAs on a regular basis.

It must be ensured that beginning the first quarter of 2005-06, copies of all such documents (as applicable) must be sent to DOT Headquarters together with the monthly report on license fee collection for the concerned months. These documents must be organized license wise together with a summary sheet placed below. This applies for quarterly payments and also any other payments received from the Licensees. In respect of last quarter, keeping in view the terms of the License, the documents be sent only after 15th of April following the financial year and must include affidavits received on 25/3 as also 15/4.

Authentication of Records maintained in CCA Office:

- a. Revenue Share/ License Fee Collection Register to be maintained by Communication Accounts Officer must be countersigned by DDCA after verification of relevant documents to his/ her satisfaction.
- b. Clearance particulars of instruments deposited be obtained from cash branch and recorded in file on a regular basis.
- c. Monthly collection and periodical reconciliation to be carried by the CCA office with the knowledge of the head of the CCA.
- d. Bank Guarantee Register to be maintained by Communication Accounts Officer and entries verified by DDCA.
- e. Monthly check for validity of existing Bank Guarantees, and proforma (for new/ renewed Bank Guarantees) be done by Jt. CCA and suitable narration recorded.
- f. Periodical review for amounts of Bank Guarantee to be: seen by head of the CCA and the results communicated to DOT HQ.

Clarification: The above set of instructions shall take immediate effect. These may be carefully gone through and in the case of any doubts clarification may be sought from DOT HQ within a month from the date of issue of this letter.

Annexure I

DEPARTMENT OF TELECOM
Quarterly Report on Maintenance and Review of Financial Bank Guarantees

Name of CCA office _____ Quarter ending _____ Year _____

Sl. No.	Name of Licensee	License Number	Bank Guarantee Details				Amount of Bank Guarantee required	Whether authentication done by the concerned officer in BG Register	Whether the Bank Guarantee is in order/ proforma prescribed	Remarks
			Guarantee Number	Validity up to	Name of Bank	Amount of Bank Guarantee				
Total										

Annexure II

DEPARTMENT OF TELECOM						
Monthly Report on Collection of License Fee						
Name of CCA office _____ Month _____ Year _____						
Sl. No.	Name of Licensee	Service Category	Service Area	% of revenue share	Type of Payment (Qtrly or annual assessment based)	Payment for the period (Qtr/Year)
1	2	3	4	5	6	7

Date of Receipt	Amount Received	AGR on self-assessment (as applicable)	Amount towards License Fees	Amount towards USO	Head of Accounts in which classified	Remarks
8	9	10	11	12	13	14

NB: All payment must indicate whether it is a quarterly payment or a payment received upon demands raised by DOT. In the event of combined payments/ unclassified payments requisite certificate be obtained.

No. 1-27/2005-LF dated 05.01.2006

To all Telecom Service Providers of Basic/ UASL/ CMTS/ NLD/ ILD/ PMRTS/ IP-II and Commercial VSAT Services

Subject: Payment of License Fee for the 3rd Quarter of 2005-06- regarding

As per the financial conditions of the concerned License Agreements, the License Fee for the 3rd quarter of the financial year 2005-06 shall be payable within 5 days from the completion of the relevant quarter.

You are therefore directed to comply with the concerned license conditions and make the requisite License Fee payments for the 3rd quarter of the financial year 2005-06 accordingly.

DOT No. 15-7/02-LF (BG)/Pt. Vol.III dated 12.01.2006

Subject: Verification of Bank Guarantees for Genuineness

It has been decided that the Bank Guarantees (including their amendments) received by and maintained in the concerned Communication Accounts Offices, be verified for their genuineness from the respective Banks.

2. The Banks may be addressed to confirm the genuineness of the instruments issued by them and be given a predefined time period within which they must revert back to the Department.
3. In case the Bank do not respond or respond in the negative the matter must be informed to DOT Headquarters, with complete details of the Bank Licensee.
4. The above instructions take immediate effect.

DOT No. 6-42/2005/TA-I dated 14.02.2006

Subject: Schedule of Payment of License Fees/ Spectrum Charges by Telecom Operators (Remittances to RBI/ SBI by CCAs/ PAO(HQ))

...all ...instruments received on Friday or where the next day following the due date happens to be a non working day/ Saturday, the concerned should ensure that the instruments are remitted to RBI/ SBI by Saturday itself. This is to be done by calling the necessary staff to office. Furthermore, the credit of the instruments remitted is also to be followed up with RBI/ SBI to ensure that there is no undue delay by the bank in crediting them to the Government Account.

(Note: Printed in full under Chapter 6)

DOT No. 15-10/2006/LF dated 20.03.2006

Office Memorandum For Introduction of Challan System For Receiving License Fees And Spectrum Charges

Subject: System for Receipt of License Fee and Spectrum Charges in the Department of Telecom Head-quarters and the Controller of Communication Accounts Offices

1. License Fee and Spectrum Charges from commercial Telecom Service Providers licensed under Section 4 of [Indian Telegraph Act 1885](#) were being received directly by the Department of Telecom, Headquarters. Subsequently, the collection of these statutory levies was decentralized in respect of Access Service Providers to the Controller of Communication Accounts. Following decentralization of collection of License Fee/ Spectrum charges from BSNL, CCA Delhi has started collecting License Fee for NLD service of BSNL.
2. Payments made in DoT Headquarters are received by the concerned branches (LF/ WPF) which deposit the sums (received through DDs etc. drawn in favour of PAO, HQs) to PAO, HQs and an acknowledgment of the payment is given to the Licensee on their forwarding documents. A receipt is being issued through the prescribed ACG-67 proforma, upon receipt of these sums by the CCA officer.
3. This process of receiving a payment and issuing an acceptance is being revised following the approvals accorded by the competent authority. The new system, shall become effective from April 1, 2006.
4. A system of challans is being introduced which has to be uniformly adopted in DoT Headquarters, as also CCA offices for receiving payments from various telecom service providers. The proforma of the challan, which has to be in triplicate, is annexed to this memorandum. The challan form can be downloaded from DoT website www.dot.gov.in and shall be used for making payments for License Fee as also Spectrum Charges.
5. The following steps are to be followed for making payment of License Fee and/ or Spectrum Charges:
 - a. The Licensee should download this form from DoT website as and when an amount becomes payable by them (both quarterly dues as also dues arising upon annual assessment of License fees).
 - b. The relevant particulars of the payments describing the purpose of payment as also the details of the instrument must be recorded in the challan form which shall be in triplicate.
 - c. The documents relevant to the payment and as applicable shall be captioned at the space provided at the end of the challan form.
 - d. The Licensee should approach the concerned branch (LF/ WPF) in DoT Headquarters or the CCA office, as the case may be, who shall record the Head of Account for the payment and upon receipt of the documents mentioned in the challan shall record an acknowledgment thereto.
 - e. Thereafter the concerned Licensee shall go to the concerned cash branch of the office (PAO for DoT Headquarters and Communication Accounts Officer, (Cash) for the CCA offices) together with the instrument (DD/ Banker's cheque) to be deposited.
 - f. The concerned officer, who receives the payments, shall verify the entries recorded in the challan with reference to the underlying instrument and thereafter receive the payment. As an acknowledgment one copy of the challan shall be returned to the concerned service provider.
 - g. At the time of receiving the payment the concerned officer shall record a serial number on the challan form (in all the three copies) and this serial number shall be a running serial number. The Sl. No. shall be of six digits with the first three digits to indicate the CCA/ DoT Hqr. office code. The office code is the same code that is followed for the purpose of monthly accounts.
 - h. Even if the concerned operator may not have submitted relevant/ requisite documents, under no circumstances a payment be refused except when the instrument is a cheque.
 - i. At the end of the day one copy of the challan in respect of each and every payment received on that day shall be handed over to the concerned user branch (LF, WPF or the officer designated in the CCA office), and the concerned cash branch would retain one copy. The user branch/ officer shall acknowledge receipt of this challan from the cash branch. For this purpose a nodal officer in each of the branch/ office shall be nominated by the concerned functional head or the CCA as the case may be.
6. Occasions where an amount is received by the Department upon invocation of the Bank Guarantee, the proceeds will be credited by the concerned branch to either security deposit or the revenue head as the case may be. The same challan proforma shall be used for this purpose as well. Necessary information regarding the instruments received from the bank as also the reference of DOT/ CCA instructions concerning the invocation of a Bank Guarantee must be provided under the various heads as provided at the end of the challan proforma.
7. (i) Instruments from multiple banks/ branches towards a single stipulated payment will have to be deposited through individual challans. The principle in short is therefore "one bank one challan".

(ii) Also payment should be made license-wise through individual challans on the principle of "one challan—per license—per type of payment—per bank".

8. Segregation of USO:

(i) License Fee payments received from Licensees may be for a stipulated quarterly payment/ payment of assessed demands and segregation between Universal Service Levy and pure License Fee may be difficult at the time of receiving the payment. Therefore, the concerned branch (LF/ WPF or CCA office) shall only record the Head of Account for License Fee alone in the receiving stage.

(ii) Once the payment is made, and one copy of the challan is received by the user branch from PAO Headquarter, or the designated cash officer in the CCA, it shall, based on the underlying documents received from the Licensee, be segregated between pure License Fee and Universal Service Levy.

(iii) A Journal Voucher, for allocating such sums received towards Universal Service Levy, shall be prepared by the user branch and handed back to the PAO Headquarter (or the designated officer in the CCA offices within three days of the receipt of the challan from the Cash branch.

(iv) At the end of the month, the PAO/ Cashier in CCA offices shall provide to the concerned user branch the amounts received under different heads of account (License Fee, Universal Service Levy/ Spectrum Charges). This shall be necessarily done after accounts are closed for the month and after accounting for journal vouchers issued by the user branch as described in the Para above.

9. While the above instructions shall be effective from April 1st 2006 it may still take some time for the new system to stabilize and in the intervening period there shall be no occasion when a payment is returned on grounds that the challan is not filled up. Such dispensation shall exist only for a month beginning April 2006.

10. As and when further decentralization of License Fee/ Spectrum Collection is undertaken same instructions as above will apply with immediate effect.

11. Kindly acknowledge receipt.

Enclosed:

As above (Form-I and Form-II)

Form-I

Department of Telecom Pay & Accounts Office, 801, Sanchar Bhawan, 20 Ashoka Road, New Delhi – 1				
CHALLAN FOR PAYMENT OF LICENSE FEE/ SPECTRUM CHARGES/ BG PROCEEDS				
To be filled up by the Licensee (for payments) or by concerned Licensing Branch (in case of Bank Guarantee proceeds)				
Date:				
Name and address of the Licensee	Service Category and Service Area	Particulars of Payment (see Note 3 below)		Amount (in Rupees)
		Nature	Period	
			Total:	
Details of Payment Instrument(s) Rendered				
DD/ Pay Order No	DD/ Pay Order Date	Issuing Bank		Amount (in Rupees)
Total in figures:				
Amount in words:				
Signature of the person depositing the amount				_____
Name				_____
Date				_____
For Office Use only				

To be filled in by the officer of the concerned branch handling the license fees/ spectrum charges			
Date:	-	Head of Account:	
Documents Received			
1 _____	Signature of concerned branch official _____		
2 _____	Name _____		
3 _____	Date _____		
4 _____	(Also affix stamp)		
Acknowledgment (To be filled in by the official receiving the payments)			
Serial Number _____		Date: _____	
Received _____ DD/Pay Order(s) as above totalling Rupees _____			
Space for office seal		Space for Signature of the person receiving the amount	
		Name	
		Date	
Notes and Instructions:			
1. A challan form to be used for only one TYPE of Payment (see Note 3) and for one bank.			
2. The challan is for remittance of License Fees, Spectrum Charges and depositing BG proceeds.			
3. Payment to be made by DD/ Pay Order/ Bankers Cheque by Licensee			
4. Indicate type of Payment (L/Fee for Basic, UASL, CMTS etc., Spectrum Charges for CDMA/ GSM/ PMRTS & other services, LD, Entry Fees, BG Proceeds etc.) and the quarter/ year to which it relates			
5. Serial number shall be given by the officer accepting the payment and will be of six digits, the first three being the CCA Code.			

Form-II

**Department of Telecom
Controller of Communication Accounts
CHALLAN FOR PAYMENT OF LICENSE FEE/ SPECTRUM CHARGES/ BG PROCEEDS**

To be filled up by the Licensee (for payments) or by concerned Licensing Branch (in case of Bank Guarantee proceeds) Date:				
Name and address of the Licensee	Service Category and Service Area	Particulars of Payment (see Note 3 below)		Amount (in Rupees)
		Nature	Period	
			Total:	
Details of Payment Instrument(s) Rendered				
DD/ Pay Order No	DD/ Pay Order Date	Issuing Bank	Amount (in Rupees)	
Total in figures:				
Amount in words:				
		Signature of the person depositing the amount _____		
		Name _____		
		Date _____		
For Office Use only				
To be filled in by the officer of the concerned branch handling the license fees/ spectrum charges				
Date:	-	Head of Account:		
Documents Received				
1 _____	Signature of concerned branch official _____			
2 _____	Name _____			
3 _____	Date _____			
4 _____	(Also affix stamp)			
Acknowledgment (To be filled in by the official receiving the payments)				
Serial Number _____		Date: _____		
Received _____ DD/Pay Order(s) as above totalling Rupees _____				
Space for office seal		Space for Signature of the person receiving the amount		
		Name		
		Date		
Notes and Instructions:				
1. A challan form to be used for only one TYPE of Payment (see Note 3) and for one bank.				
2. The challan is for remittance of License Fees, Spectrum Charges and depositing BG proceeds.				
3. Payment to be made by DD/ Pay Order/ Bankers Cheque by Licensee				
4. Indicate type of Payment (L/Fee for Basic, UASL, CMTS etc., Spectrum Charges for CDMA/ GSM/ PMRTS & other services, LD, Entry Fees., BG Proceeds etc.) and the quarter/ year to which it relates				
5. Serial number shall be given by the officer accepting the payment and will be of six digits, the first three being the CCA Code.				

DOT No. 1-27/2006-LF dated 30.05.2006
To all Telecom Service Providers

Subject: Clarification regarding Payment of License Fee

I have been directed to issue the following clarification with respect to payment of License Fee:

"It is hereby clarified that for the purpose of payment of quarterly License Fees, the intervening holiday/s or holiday/s on the last day of the prescribed period shall not result in extension of the specified period of payment. Hence, interest/ penalty as per the license conditions will apply on payment of quarterly License Fee dues beyond the specified period".

DOT No. 1-28/2006/LF dated 20.09.2006

To all the UAS/ Basic/ CMTS Service Providers

(Circulated as an enclosure to DOT No. 1-28/2006-LF dated 21.09.2006)

Subject: Verification of PSTN Related Call Charges (Access Charges) and Roaming Revenue paid to other Telecom Service Providers, Service/ Sales Tax paid to the Government and claimed as Deductions

Sir,

The License Agreement mandates payment of License Fee in four quarterly instalments. While making payment of License Fee, Statement of Revenue and License Fee, in the prescribed format showing the computation of revenue and License Fee payable is to be submitted to the designated offices.

2. For the purpose of arriving at Adjusted Gross Revenue, on which License Fee is leviable, the license condition stipulates following deductions from Gross Revenue:

PSTN related call charges (Access Charges) actually paid to other eligible/ entitled telecommunications service providers within India;

Roaming revenues actually passed on to other eligible/ entitled telecommunications service providers within India and; Service Tax on provision of service and Sales Tax actually paid to the Government if gross revenue had included the component of Sales Tax and Service Tax.

3. It is to be noted that in the prescribed form of Statement of Revenue and License Fee the deductions claimed on account of above-mentioned items are to be supplemented with operator-wise details. It is therefore reiterated that details must be furnished, along with the quarterly Statement of Revenue and License Fee.

4. It has been the experience that deductions on account of above payments made during the financial year are not readily furnished by the UAS/ Basic/ CMTS licensees leading to a series of correspondence at the time of annual assessment of License Fee. It has, therefore, been decided by the competent authority that henceforth, the deductions claimed by the UAS/ Basic/ CMTS licensees will be verified by the concerned CCAs on quarterly basis. The operator-wise details will be verified with respect to the proof of payment. On demand, the proof of payment with respect to the deductions claimed has to be submitted by the licensee.

The above verification for each quarter shall be completed by the CCA within a stipulated time frame, i.e. by 15th October, 15th January, 15th April and 30th June for quarters I, II, III and IV respectively.

If any clarification is required the same may be obtained from LF Branch. Kindly acknowledge the receipt.

DOT No. 1-28/2006-LF dated 21.09.2006

Subject: Verification of Deductions claimed from Gross Revenue by Telecom Service Licensees on Quarterly Basis

This letter issues in continuation to the instructions contained in the letters:

- i) 1-6/2001-LF dated 8.10.2002
- ii) 17-20/2003/BSNL/LF dated 10.1.2005; 28.2.2005; 22.3.2005
- iii) 1-6/2001-LF Vol. II dated 28.11.2005

2. Although it is mandated by the License conditions, Operator-wise details of deductions claimed on account of PSTN related Call Charges (Access Charges) and roaming revenue paid to other telecom service providers are not readily

submitted by the Licensees. This affects the annual License Fee assessment.

3. It has therefore, been decided by the competent authority that the office of CCAs will henceforth verify the deductions claimed by the UAS/ Basic/ CMTS Licensees from the Gross Revenue for the calculation of AGR and License Fee on quarterly basis. The proposed verification will be applicable for deductions claimed from first quarter of financial year 2006-07 onwards.
4. The quarterly payment of License Fee payable by 15th July, 15th October, 15 January and 25th March is to be made together with Statement of Revenue and License Fee in the prescribed proforma. As per the prescribed proforma, the Licensee has to give operator-wise details of the: (i) PSTN related call charges actually paid to other service providers (ii) Roaming revenues actually paid to other service providers.
5. The CCAs are to verify the deductions shown by the Licensee in the Statement of Revenue & License Fee on account of:
 - a) PSTN related call charges (Access Charges) actually paid to eligible/ entitled Telecom Service Providers within India.
 - b) Roaming revenues actually passed on to other eligible entitled telecom service providers.
 - c) Service Tax/ Sales Tax paid to Government, if the same had been included in the Gross Revenue.
6. The verification of deductions is to be done with respect to proof of payment. The verification for each quarter shall be completed by the CCA within a stipulated time-frame i.e., by 15th October, 15th January, 15th April and 30th June for quarters I, II, III and IV respectively, of the financial year.
7. The quarterly report of the verification in respect of each licensee has to be submitted to LF Branch within a week after the due date. The concerned Telecom Service Providers are being instructed separately about the verification and submission of relevant details.
8. Kindly acknowledge the receipt.

DOT No. 1-27/2005/LF dated 30.04.2007

To all Telecom Operators

Subject: Submission of Documents for Annual Assessment of License Fee for the Financial Year 2006-07 in respect of CMTS/ UASL/ NLD/ ILD Licenses held by you

1. For annual assessment of license Fee by this office, the licensee is required to submit the requisite documents within seven days of signing the Audit Report along with a copy of published Annual Accounts, in accordance with the provisions contained in relevant sections, appendices and annexures of the respective license agreements.
2. Therefore, you are directed that, for each license held by you, the following documents, as per the license agreement(s) for the FY 2006-07, may be submitted to the LF Branch, DoT HQ as per terms and conditions of the extant License Agreement.
 - (a) Audited Quarterly Statement of Revenue and License Fee for the License along with Auditor's Report and appropriate disclosure notes.
 - (b) Reconciliation statement, duly reconciling the revenues in the Audited Quarterly Statement of Revenue and License Fees and the published Audited Annual Accounts of the company.
 - (c) Duly audited quarter-wise operator-wise details of PSTN related call charges (access charges) and roaming charges actually paid to other telecom service providers during the FY 2006-07.
 - (d) Duly audited details of Service tax/ Sales tax actually paid to the Govt. during the year 2006-07, if included in Gross Revenue and deductions claimed.
3. While submitting the above documents, licensee must also submit a statement as per Annexure-I to this letter. Furnishing of incorrect information shall be dealt in accordance with the terms and conditions of License agreement.
4. Along with the above-mentioned documents, you are also directed to furnish a License-wise statement of payments made towards License Fees for the FY 2006-07 in the proforma enclosed as Annexure-II. This shall be reviewed in DoT vis-à-vis the payments actually received for computation of interest and other dues as applicable.
5. A copy of the complete set of documents must also be submitted to the respective O/o CCAs, where License Fees are deposited.
6. It must be ensured that the documents/ accounts, in particular, the Statement of Revenue and License Fee, have been prepared in accordance with the definition of Gross Revenue/ Adjusted Gross Revenue and norms and guidelines for preparation of accounts as contained in the respective license agreement(s). Any deviation thereof must be quantified and clarified by the Auditor.

7. It is to be noted that non-submission of requisite documents with adequate details in time leads to series of correspondence, causing delay and wastage of time and effort at the time of annual assessment. Hence, it must be ensured that complete set of documents and details are submitted.

8. One complete set of documents mentioned at para 2(a) & 2(b) may also be given to Director (WPF), DoT HQ.

Annexure-I**Details of documents submitted for financial year 2006-07**

Description	Submitted or not	Date of signing of Annual Accounts by the Licensee's auditor
a) Quarterly Audited AGR statement for the License along with Auditor's Report		
b) Reconciliation statement, duly reconciling the revenue in the Quarterly Audited AGR statements and the Audited Annual Accounts of the company		
c) Duly audited quarter-wise Operator-wise details of PSTN related call charges (access chares) and roaming charges actually paid to other telecom service providers during the financial year 2005-06 wherever mandated under concerned license.		
d) Amount of service tax included in the Gross Revenue and deductions claimed, separately with a certificate towards amounts of service tax passed on to the Government during the year 2005-06.		

Signature of authorized representative:	
Name of the authorized representative :	
Date:	

Space for company seal

Annexure-II**DETAILS OF LICENSE FEE PAYMENTS MADE FOR THE YEAR 2006-07**

Name of the service provider				
Service Category				
Service Area				
Cheque/ DD/ Bank particulars	Amount	Date	Direct payment(D)/ Adjustment(a)/ Credit extended and adjusted (CR)	Remarks

Space for Company seal

Signature of authorized representative:
Name of the authorized representative :
Date:

Note: Narration be provided wherever necessary and unused rows be struck off

DOT No. 20-73/2006-AS-I dated 04.07.2007
To BSNL, MTNL, all UASL & CMTS Licensees

Subject: Harmonization of Different Nomenclatures for Same Service Areas

It has been noticed that different nomenclatures have been used for same Service Area for Unified Access Service Licenses and Cellular Mobile Services Licenses.

Therefore, to correct this aberration, name of all the service areas for which Unified Access Service Licenses or Cellular Mobile Services Licenses have been issued till date have been harmonized as per enclosed Annexure-I. Therefore, all the Unified Access Service Licenses and Cellular Mobile Services Licenses stands amended with respect to the name of the Service Area (Telecom Circle/ Metro) as per details in Annexure-I.

Encl: As above.

Annexure-I**Harmonisation of Nomenclature of Service Area (Telecom Circles/ Metros)
for the Purpose of the Existing UASL & CMTS Licenses and New UAS Licenses**

Sl. No.	Nomenclature used in the CMTS/ UASL Licenses issued prior to 4 th July, 2007	Areas Covered	Name of Service Area w.e.f. 4 th July, 2007	Category
01.	West Bengal Circle/ Telecom Circle/ Service Area/ Circle (including A&N)/ Andaman, Nicobar and West Bengal Telecom Circle/ West Bengal	Entire area falling within the Union Territory of Andaman & Nicobar Islands and area falling within the State of West Bengal and the State of Sikkim excluding the areas covered by Kolkata Metro Service Area.	West Bengal Service Area	B
02.	Andhra Pradesh Circle/ Telecom Circle/ Service Area/ Andhra Pradesh	Entire area falling within the State of Andhra Pradesh.	Andhra Pradesh Service Area	A
03.	Assam Circle/ Telecom Circle/ Service Area/ Assam	Entire area falling within the State of Assam.	Assam Service Area	C
04.	Bihar Circle/ Telecom Circle/ Service Area/ Telecom Circle (Including Jharkhand Telecom Circle)/ Bihar	Entire area falling within the re-organised State of Bihar and newly created State of Jharkhand pursuant to the Bihar Reorganisation Act, 2000 (No.30 of 2000) dated 25 th August, 2000.	Bihar Service Area	C
05.	Gujarat Circle/ Telecom Circle/ Service Area/ Gujarat	Entire area falling within the State of Gujarat and Union Territory of Daman and Diu, Silvassa (Dadra & Nagar Haveli).	Gujarat Service Area	A
06.	Haryana Circle/ Telecom Circle/ Service Area/ Haryana	Entire area falling within the State of Haryana except Pachkula town and the local areas served by Faridabad and Gurgaon Telephone exchanges.	Haryana Service Area	B
07.	Himachal Pradesh Circle/ Telecom Circle/ Service Area/ Himachal Pradesh	Entire area falling within the State of Himachal Pradesh	Himachal Pradesh Service Area	C
08.	Jammu & Kashmir Circle/ Telecom Circle/ Service Area/ Jammu & Kashmir	Entire area falling within the State of Jammu & Kashmir including the autonomous council of Ladakh.	Jammu & Kashmir Service Area	C
09.	Karnataka Circle/ Telecom Circle/ Service Area/ Karnataka	Entire area falling within the State of Karnataka	Karnataka Service Area	A
10.	Kerala Circle/ Telecom Circle/ Service Area/ Kerala	Entire area falling within the State of Kerala and Union Territory of Lakshadweep and Minicoy.	Kerala Service Area	B
11.	Madhya Pradesh Circle/ Telecom Circle/ Service Area/ Telecom Circle (Including Chattisgarh)/ Madhya Pradesh	Entire area falling within the re-organised State of Madhya Pradesh as well as the newly created State of Chattisgarh pursuant to the Madhya Pradesh Reorganisation Act, 2000 (No. 28 of 2000) dated 25 th Aug, 2000.	Madhya Pradesh Service Area	B
12.	Maharashtra Circle/ Telecom Circle/ Service Area/ Maharashtra	Entire area falling within the State of Maharashtra and Union Territory of Goa, excluding areas covered by Mumbai Metro Service Area.	Maharashtra Service Area	A
13.	North East Circle/ Telecom Circle/ Service Area/ North East	Entire area falling within the States of Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Manipur and Tripura.	North East Service Area	C
14.	Orissa Circle/ Telecom Circle/ Service Area/ Orissa	Entire area falling within the State of Orissa.	Orissa Service Area	C
15.	Punjab Circle/ Telecom Circle/ Service Area/ Punjab	Entire area falling within the State of Punjab and Union territory of Chandigarh and and Panchkula Town of Haryana.	Punjab Service Area	B
16.	Rajasthan Circle/ Telecom Circle/ Service Area/ Rajasthan	Entire area falling within the State of Rajasthan.	Rajasthan Service Area	B
17.	Tamilnadu Circle/ Telecom Circle/ Service Area/ Tamil Nadu/ Madras/ Chennai Metro	Entire area falling within the State of Tamilnadu and Union Territory of Pondichery including Local Areas served by Chennai Telephones, Maraimalai Nagar Export Promotion Zone (MPEZ), Minzur and Mahabalipuram Exchanges	Tamil Nadu Service Area (including Chennai Service Area)	A
17A.	Tamil Nadu Circle/ Telecom Circle/ Service Area/ Tamil Nadu	Entire area falling within the State of Tamil Nadu and Union Territory of Pondichery excluding Local Areas served by Chennai Telephones, Maraimalai Nagar Export Promotion Zone (MPEZ), Minzur and Mahabalipuram Exchanges	Tamil Nadu Service Area (excluding Chennai Service Area)	A
17B.	Madras / Chennai Metro	Local Areas served by Chennai Telephones, Maraimalai Nagar Export Promotion Zone (MPEZ), Minzur and Mahabalipuram	Chennai Service Area	A

		Exchanges		
18.	UP(West)/ Uttar Pradesh (West) Circle/ Telecom Circle/ Service Area/ Telecom Circle (Including Uttaranchal)/ Uttar Pradesh (West)	Entire area covered by Western Uttar Pradesh with the following as its boundary districts towards Eastern Uttar Pradesh: Pilibhit, Bareilly, Badaun, Etah, Mainpuri and Etawah. It will exclude the local telephone area of Ghaziabad and Noida. However, it will also include the newly created State of Uttaranchal pursuant to the Uttar Pradesh Re-organisation Act, 2000 (No.29 of 2000) dated 25 th August, 2000.	Uttar Pradesh (West) Service Area	B
19.	Uttar Pradesh – East Circle/ Telecom Circle/ Service Area/ Uttar Pradesh – East	Entire area covered by Eastern Uttar Pradesh with the following as its boundary districts towards Western Uttar Pradesh: Shahjahanpur, Farrukhabad, Kanpur and Jalaun.	Uttar Pradesh (East) Service Area	B
20.	Delhi Metro/ Service Area/ Delhi	Local Areas served by Delhi, Ghaziabad, Faridabad, Noida, and Gurgaon Telephone Exchanges	Delhi Service Area	Metro
21.	Kolkata Metro/ Service Area/ Kolkata/ Calcutta	Local Areas served by Calcutta Telephones.	Kolkata Service Area	Metro
22.	Mumbai Metro / Service Area/ Bombay / Mumbai	Local Areas served by Mumbai, New Mumbai and Kalyan Telephone Exchanges	Mumbai Service Area	Metro

* NO NEW LICENSE IS BEING ISSUED FOR SI. No. 17A and 17B after 15.09.2005.

NOTE:

- Yenum, an area of Union Territory of Pondicherry is served under Andhra Pradesh Telecom Circle in East Godavari LDCA.
- The definition of Local areas of exchanges will be as applicable to the existing cellular operators, i.e. at the time of grant of cellular Licenses in Metro cities.
- The definition of local areas with regard to the above service area as applicable to this License is as per definition applicable to Cellular Mobile Service Licenses as in the year 1994 & 1995, when those Licenses were granted to them. This is in accordance with respective Gazette Notification for such local areas wherever issued and as per the statutory definition under Rule 2 (w) Indian Telephones Rules, 1951, as it stood during the year 1994/1995 where no specific Gazette Notification has been issued.

DOT No. 1-28/2006/LF dated 05.07.2007

Subject: Verification of Deductions claimed by the Licensees through Quarterly Statement of Revenue & License Fee – Clarifications thereof

This letter issues in continuation to the instructions contained in the letters of even no. dated 20.09.2006 and 21.09.2006. It is reiterated that verification report for each licensee of the licensed service area on a quarterly basis is to be submitted by the O/o CCAs as per the schedule given in letter dated 21.09.2006. For ready reference, the verification of each quarter shall be completed by the CCA within a stipulated time frame i.e. by 15th October, 15th January, 15th April and 30th June for quarters I, II, III and IV respectively of the concerned financial year.

2. Based on the receipt of reports and letters from the CCAs, the following clarifications with respect to the verification of deductions claimed from the Gross Revenue by the Telecom Service Licensees through quarterly Statement of Revenue & License Fee are issued:

Issue No.1 - The Licensees are not submitting in time (a) operator-wise details of the deductions claimed, and (b) proof of payment/ adjustment.

Clarification - A separate letter is being issued to the Licensees for the submission of proof of payment and other details so as to back up the claimed deductions as per quarterly Statement of Revenue & License Fee. In case of willful refusal by the licensee to submit above details, the CCAs should send a separate report to the LF Branch, DoT so that necessary action against the licensee at the HQ level can be initiated.

Issue No.2 - Admissibility of the deductions claimed on account of ADC payment.

Clarification - The ADC payments made by the Licensees to another Telecom service provider qualify for deduction subject to proof of payment.

Issue No.3 - Admissibility of payments made by one division of a licensee company to another division e.g. payments made by UASL division of the Company to the NLD/ ILD division of the same Company when the licensee company has license for UASL/ NLD/ ILD.

Clarification - In case of inter-division payments of pass through nature (payments/ adjustments made between UASL/ NLD/ ILD divisions of a Company having UASL/ NLD/ ILD licenses), deductions of such payments are to be allowed based on proof of inter-division adjustments. At the time of annual assessment of License Fee such inter-divisional payments/ adjustments are treated as permissible deductions upon production of duly audited proof of adjustment as per provisions of the extant License Agreement.

Issue No.4 - Deductions claimed by the licensee for payments made for leased line charges, port charges, charges for infrastructure sharing etc.

Clarification - No deductions other than those specified in the respective License Agreements qualify for deductions from the

Gross revenue which is to be furnished by the licensee in the prescribed format of Statement of Revenue & License Fee. Therefore leased line charges, port charges, infrastructure sharing charges etc. or any other type of set off (items of expenditure against revenue) do not qualify for deduction.

Issue No.5 - Clarification - *The actual date of payment for pass through charges in case of payment by cheque.*
In case of payment by cheque of PSTN/ Roaming charges etc. the date of payment is to be taken as the date of receipt of such cheques by the receiving licensee.

Issue No.6 - Clarification - *Admissibility of payments made for Service Tax/ Sales Tax and deductions thereof.*
If the Gross Revenue includes the Service Tax/ Sales Tax, then actual payments made by the licensee to the Government during the FY qualifies for deduction for that year. If the extant provisions of the Service Tax/ Sales Tax permit the licensee company to avail CENVAT Credit against the Service Tax/ Sales Tax dues payable by the licensee then the Service Tax/ Sales Tax paid will include such credits availed. The Claim of such deductions will be admissible subject to proof of payments/ adjustments and permission of the tax authorities.

Issue No.7 - Clarification - *Nature of proof of payment.*
The proof of payment includes vouchers/ bank statements/ receipts etc. The O/o CCA has to check the admissibility of claimed deductions with respect to proof of payment/adjustments made and in accordance with provisions of the License Agreement. The claimed deductions are to be taken as furnished by the licensee through its quarterly Statement of Revenue & License Fee.

Issue No.8 - Clarification - *Payment/ adjustment of PSTN/ Roaming charges made on net basis between two licensees.*
In case of adjustment of PSTN/ Roaming charges between two licensees made on net basis, the payment of only residual amount is effected. However the respective licensee will claim deduction of the full amount. As an illustration, in case of settlement between Licensee A and B, if the amount payable by A to B is Rs. 100 and amount payable by B to A is Rs. 65 then the actual payment (transaction) made by A to B would be of Rs. 35 only. In this case Licensee A will claim deduction of Rs.100 and Licensee B will claim deduction of Rs.65, even though cash transaction of Rs.35 only has been made. The licensee should however support this through proof of payment and adjustment.

Issue No.9 - Clarification - *Verification of claimed deduction on sample basis.*
The O/o CCA has to ensure 100% verification of operator-wise payments made and claimed as deduction through Quarterly Statement of Revenue & License Fee. Only the amount shown as deduction in the quarterly statement is to be verified and report sent about its admissibility or inadmissibility. Wherever the licensee does not submit the operator-wise details substantiating the deductions claimed as per quarterly Statement of Revenue & License Fee, the amount has to be quantified and the same has to be reported as inadmissible to the LF Branch, DoT HQ, as per schedule.

Issue No. 10 - Clarification - *Nature of proof of payment in case of roaming charges and in particular international roaming paid through clearing houses.*
The Office of the CCA will ask for statements from the Banks, duly signed by their authorized signatories along with statement of settlement of account of Roaming charges from clearing house duly signed by the operator's authorized signatories. The O/o the CCA has to check the admissibility of claimed deductions with respect to proof of payment/ adjustments made and in accordance with the License Agreement.

3. The format of the verification report to be sent to LF Branch, DoT HQ, is enclosed herewith.
4. The quarterly verification report in the prescribed format should be sent with the approval of the CCA.
5. The CCAs may also raise a demand, if any shortfall is noticed based on the verification exercise together with interest in terms of the License Agreement.
6. Soft copy of the report should be sent at e-mail ID LFIV@rediffmail.com.

Enclosed: As above

SUMMARY REPORT OF VERIFICATION OF DEDUCTIONS CLAIMED IN QUARTERLY STATEMENT OF REVENUE & LICENSE FEE WITH RESPECT TO <NAME OF THE SVC AREA> LICENSE SERVICE AREA

Quarter - <qtr no.> of FY <financial year>

(Fig. in Rs.)

Sl. No.	Name of the Licensee	Service	Deductions claimed	Deductions admissible	Deductions inadmissible	Shortfall of License Fee
	Total					

REPORT ON VERIFICATION OF DEDUCTIONS CLAIMED BY THE LICENSEE THROUGH QUARTERLY STATEMENT OF REVENUE AND LICENSE FEE

Name of the Licensee	
License No. & Date	
Service Area	

Rate of License Fee	
Quarter	
Financial Year	

PART – I

**SUMMARY OF QUARTERLY STATEMENT OF REVENUE & LICENSE FEE
(AS SUBMITTED BY THE LICENSEE)**

(Fig. in Rs)

S. No.	Item	Previous Quarter	Current Quarter	Cumulative up to Current Quarter
1.	Gross Revenue (item no. AA)			
2.	Deductions (item no. B)			
(i)	PSTN related call charges paid to other operators			
(ii)	Roaming revenue actually passed on to other operators			
(iii)	Service Tax paid to the Government			
(iv)	Sales Tax paid to the Government			
3.	Total Deductions (Item No. BB)			
4.	Adjusted Gross Revenue (Item No. CC)			
5.	Revenue Share payable			
6.	Revenue Share paid			
7.	Date of payment			

PART-II

**REVISED CALCULATION OF REVENUE SHARE ON THE BASIS OF VERIFICATION OF DEDUCTIONS CLAIMED IN THE
STATEMENT OF REVENUE & LICENSE FEE**

(Fig. in Rs.)

Sl. No.	Item		Amount
1	Gross Revenue (Item No. AA)		
2	Deductions claimed in Statement of Revenue & License Fee (Item No. BB)	A	PSTN related
		B	Roaming charges
		C	Service Tax
		D	Sales Tax
		E	ADC
3	Adjusted Gross Revenue (Item No. CC); As per the Quarterly Statement of Rev. & LF submitted by the licensee. (1-2)		
4	Inadmissible deductions	A	PSTN related
		B	Roaming charges
		C	Service Tax
		D	Sales Tax
		E	ADC
5	Revised Adjusted Gross Revenue (3-4)		
6	Revenue share payable for the quarter (AGR * Rate of License Fee)		
7	Revenue share actually paid for the quarter		
8	Short payment of Revenue Share/ LF (6-7)		

Reasons for inadmissibility of deductions:

Signature of the officer

DOT No. 16-7/2007-BS-I dated 09.07.2007

Subject: Minutes of the Meeting regarding “No dues” Process and “Extension of LOI” in the Matter of Grant of License to Applicant Company

A meeting was held on 04.07.2007 at 2.00 P.M. by Member (T), DoT regarding delay in obtaining “No dues” from LF Cell and WPC Wing prior to signing of license agreement. The meeting was attended by Wireless Adviser (DoT), DDG (LF), DDG (AS), DDG (CS), DDG (DS), JWA and Dir. (LF-I).

Member (T) expressed his concern about inordinate delay in signing of license agreement after issue of LOI. This is mainly because of delay in “No Dues Clearances” required from the respective units. When the license is not granted within the validity period of LOI, approval of Hon’ble MOC&IT is required for the extension of LOI. It was desired that the extension of LOI must be avoided to the maximum possible extent.

As per present procedure, LOI is issued to the applicant company with a validity period of three months for signing of license agreement. Before signing of the agreement, "No dues" certificate is required from LF and WPC Unit. Sometimes, due to delay in the issue of "No dues", the LOI gets expired and the extension of LOI is required from Hon'ble MOC&IT. To reduce the delay and streamline the procedure, following decisions were taken.

1. After issue of LOI, the licensing Cell shall forward a request, within a period of one week, to LF & WPC Cell to provide No Dues/ Outstanding Dues status of the applicant company. The request letter shall also include the information about the sister concerns of the applicant company.
2. Details of excess payment/ outstanding dues, if given by the company to licensing cell, shall also be forwarded to LF/ WPC Cell along with the request letter.
3. After receipt of request for "No Dues" from Licensing Cell, LF/ WPC Cell shall provide No Dues/ Outstanding Dues status of the applicant company within a period of one month to the licensing cell without fail. If any difficulty is foreseen to calculate outstanding dues, it should be immediately discussed with licensing cell.
4. After receipt of the outstanding dues status from LF/ WPC units, intimation will be given to the applicant company by licensing cell to clear the outstanding dues and execute the license agreement within the validity period of LOI. Intimated Outstanding dues are to be paid by the applicant company, if they are interested in signing the license agreement.
5. LF/ WPC Cell shall intimate the licensing cell about the receipt of the payment of outstanding dues by the applicant company immediately, within a period of one week from date of payment.
6. In general, the LOI extension should not be resorted to. However, if at all LOI extension is required in any exceptional case, the extension of LOI, contrary to the present practice, shall be sought up to a period of three months from the date of approval of extension of LOI by Hon'ble MOC&IT.

This issues with the approval of Secretary (T).

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*What would be the use of immortality
to a person who cannot use a half hour well?*

- Ralph Waldo Emerson

***"The chains of habit are generally too small
to be felt
until they are too strong to be broken."***

-- Samuel Johnson

***"A habit cannot be tossed out the window;
it must be coaxed down the stairs a step at a
time."***

—Mark Twain

CHAPTER 6

WIRELESS FINANCE BRANCH

A. Introduction

A1. The Wireless Planning & Coordination (WPC) Wing

The Wireless Planning & Coordination (WPC) Wing of the Ministry of Communications, created in 1952, is the national radio regulatory authority responsible for wireless spectrum management, including licensing.

It caters to the needs of all wireless users in the country and acts as the national nodal agency in relation to external entities including the International Telecom Union (ITU) and the Asia-Pacific Telecommunity (APT).

A few sample notifications and circulars issued by the WPC Wing have been printed in the *Annexure* appearing at the end of this chapter for information.

A2. The Wireless Monitoring Organization (WMO)

The Wireless Monitoring Organization (WMO), with its headquarters in New Delhi, is the field organization of WPC Wing for radio monitoring. It monitors the controlled parts of radio spectrum to ensure that the same are only used by *bonafide* licensees, and strictly as per the permissions accorded. The WMO has wireless monitoring stations (WMS) of varying capabilities and coverage at 22 locations, including one satellite monitoring facility at Jalna, and also operates a training centre in New Delhi.

A3. The Wireless Finance Branch (WF)

In the pre-BSNL era of the Department of Telecommunications (DOT), functions like Revenue Budget, Capital Budget, scrutiny of Expenditure proposals relating to the *National Radio Spectrum Management and Monitoring System* (NRSMMMS) project partly funded by World Bank loan, monitoring of recovery of spectrum charges (royalty and license fees) from various users (including telecom operators) and other related accounting and financial matters were being handled by the TCF and FA-IV Divisions under Member (Finance), even as 'billing' and collection of wireless charges continued to be handled by the (technical officers of the) WPC Wing.

After the creation of BSNL with effect from 1.10.2000, the post of Sr. DDG (TCF) was transferred to the PSU along with associated staff, and the work of rendering Finance Advice in respect of the World Bank-financed NRSMMMS Project was entrusted to a new Finance Division – called *WPF* Division – created in December 2000 under Member (Finance).

The WPF Division then comprised of just two persons: *DDG (WPF)* in the Senior Administrative Grade of Indian P&T Accounts & Finance Service, Group 'A', and an *Accounts Officer* from the Indian P&T Accounts & Finance Service, Group 'B'. It has come a long way since.

B. Organization of Wireless Finance Branch

B1. General

The Branch has evolved into a more versatile unit since its humble beginnings in December 2000 when it started functioning as a small cell, comprising of just two officers, to handle World-Bank funded NRSMMS Project.

The Branch is presently performing several important functions, which can be broadly divided into the following two categories:-

- i. Financial scrutiny of various expenditure and budget proposals concerning the WPC and WMO, including the World Bank Project. This is handled by the *Wireless Finance Section* of the WF Branch; and
- ii. Assessment and collection of Spectrum Charges of Basic, Cellular and UASL licensees in respect of their GSM and CDMA allotments. This is handled by the *Wireless Revenue Section* of the WF Branch.

The organization chart of the WF Branch is given below.

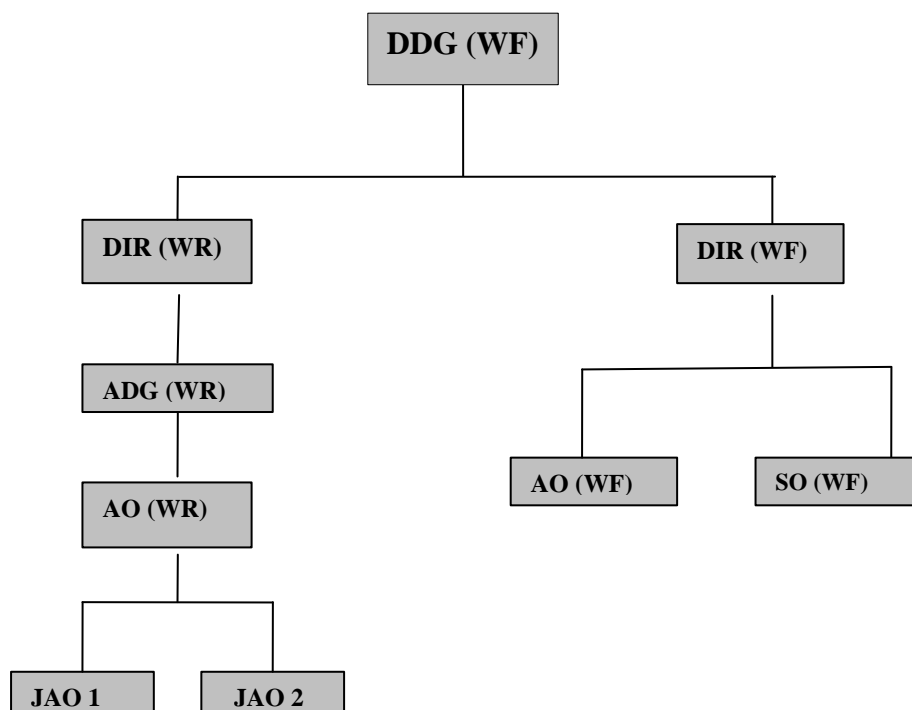


Fig. 1. Organization Chart of WF Branch

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B2. The Wireless Finance (WF) Section

It is headed by Director (WF) and scrutinizes proposals, requiring finance advice, received from WPC and WMO in respect of civil and other works, budget, procurement of equipment, vehicles, goods and services, floating of competitive tenders, establishment, pay-fixation, hiring of accommodation, scrapping of obsolete or unserviceable stock and equipment, payments to I.T.U. etc.

The Section particularly renders financial advice in cases relating to the NRSMMMS Project, covering payments to contractors, fresh or modified/ revised expenditure proposals and general contract management. Thus, the Section has been handling expenditure compilation, submission of reimbursement claims to the Controller of Aid Accounts & Audit, Ministry of Finance, and submission of periodic returns to the World Bank and other agencies. It is also engaged in the work of assessment and collection of spectrum charges from Commercial-VSAT licensees.

B3. The Wireless Revenue (WR) Section

This Section is primarily entrusted with the work of (annual) assessment, (quarterly) collection, and accounting of wireless charges relating to Cellular, Basic and UASL licenses. It also handles representations of service providers, renders financial advice on revenue-related matters and collects spectrum charges from PMRTS licensees.

C. Items of Work of WF Branch

C1. Wireless Revenue (WR) Section

- Obtaining from CCAs details of the quarterly AGR Statements furnished and quarterly payments of Wireless Charges (License Fee, Royalty and other charges) made by Cellular, Basic and UASL licensees, and recording the same in respective license-wise accounts/ ledgers.
- Preparation of licensee-wise *monthly* monitoring statements,
- Scrutinizing and accepting payments of Wireless Charges as authorized from time to time (e.g. for PMRTS) and making over the same to the PAO (HQ) with proper accounting classification; and maintaining the register of payments received.
- Half- yearly reconciliation of the revenue receipts with the PAO's accounts records.
- Monitoring of CCA's revenue performance.
- Periodic liaison with WPC for collection and reconciliation of up-to-date commercial data (i.e. license-wise details of spectrum allotted, period, conditions, etc.).
- Obtaining license-wise Annual AGR values from the LF Branch and computing wireless-related AGR for CDMA licenses.
- Periodic liaison with LF Branch for smooth flow of data and records.
- Annual Assessment of Wireless Charges (along with interest on delayed payments and penalty, where applicable) in respect of each Basic, UASL, Cellular and other telecom service licenses, including MTNL and BSNL.
- To issue Demand Notes to licensees for payment of WPC-related charges.
- To carry out a regular review of outstanding payments and make all efforts for their early recovery.
- Receipt of FBGs in prescribed format, their safe custody, and maintenance of related ledgers and control registers.
- Ensuring timely *renewal* (and periodic *enhancement*) of the FBGs by the concerned licensees.

- Invocation of FBGs in cases of non-renewal in time or of default in adhering to payment terms.
- Disposal of representations received from service providers
- Fixation or revision of WPC tariffs (royalty/ spectrum charges, late fee, and license fee for possession of wireless apparatus).
- Policy issues relating to AGR finalization and Spectrum assignment.
- Parliament Questions and Parliamentary Committees' queries
- Court Cases relating to Wireless Charges, if any.
- Reply to Audit memos and Audit paragraphs.
- Disposal of queries under the Right to Information Act.
- Framing the Annual Revenue Budget (BE/ RE/ FG) for Wireless Charges.
- Periodical Telecom Commission memos and submission of monitoring statements (Monthly/ Bimonthly/ Quarterly) for review of revenue parameters.
- Preparation of 'Notes' for consideration by the Empowered Committee of the Telecommunications Commission.

C2. Wireless Finance (WF) Section

1. Rendering finance advice to the WPC and WMO in cases relating to:-
 - Establishment matters.
 - Projects, Purchases, Tenders.
 - Hiring, renting of accommodation.
 - Scrapping of old, obsolete or unserviceable plant, machinery and stock.
 - Payments to International Telecommunications Union, etc.
 - Contract management, including payments to contractors.
 - Project expenditures.
 - Expenditure Budget (Plan/ Non-Plan).
2. Submission of claims and returns to IBRD for the World Bank aided project.
3. Revenues from Commercial-VSAT Licensees.
 - Finalization of license-wise assessment of spectrum charges (including interest for delayed payments and penalty, if any).
 - Issue of Demand Notes/ Reminders to licensees to pay the charges due.
 - Acceptance of payments of spectrum charges and their transfer to the PAO (HQ) with accounting classification.
 - Maintenance of register of payments received.
 - Regular review of payments received, balance outstanding, and taking action for speedy recovery of the dues.
 - Monthly reconciliation of receipts with the accounts of PAO (HQ).
 - Receipt of FBGs in prescribed format, their safe custody, and maintenance of related ledgers and control registers.
 - Ensuring timely *renewal* (and periodic *enhancement*) of the FBGs by the concerned licensees.
 - Invocation of FBGs in cases of non-renewal in time or of default in adhering to payment terms.
 - Disposal of representations received from service providers.
 - Revenue Budget (BE/ RE/ FG) for Comm.-VSAT licenses.
 - Court cases relating to above, if any.
4. Parliament Questions and Parliamentary Committees' queries.
5. Disposal of Audit Memos/ Paragraphs relating to F-WPF Section and vetting of replies concerning WPC/ WMO.
6. VIP references and Parliament matters concerning F-WPF Section.

7. Disposal of queries, if any, under the Right to Information Act.
8. Periodical Returns and Monitoring Statements for WPF Branch; and
9. Follow up with CCAs on delegated matters.

D. Channel of Submission and Disposal of Cases

The earlier 'channel of submission and disposal of cases' was thoroughly revised and, after being approved by Member (Finance), the following versions (D1 and D2 below) were communicated, for circulation, to the O&M Branch of DOT by the S.O. (WFD) vide Wireless Finance I.D. No.1007/2/2004-WFD dated 22-8-2006.

D1. Cases Relating to Director (WR)

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
1	Acceptance of payment particulars from respective CCAs, its checking and entry/ feeding in respective accounts.	JAO	AO
2	Preparation licensee wise Monthly monitoring statement, and its review	JAO/AO	ADG
3	Acceptance of payment of spectrum charges, (PMRTS and other payments as authorized from time to time) and making over to the PAO with classification, in respect of accounting heads; maintenance of register of payments received, and half-yearly reconciliation of the receipts with the PAO figures.	JAO	AO
4	Finalization of license-wise account/ assessment of spectrum charges after preparation of calculation sheets along with calculation of interest on delayed payments and penalty (wherever applicable). Reminder to licensees for payment.	JAO/AO	ADG
5	Monthly review of payments and action for recovery of outstanding dues.	JAO/AO/ADG	Dir
6	Receipt of FBG in prescribed format, its safe custody and maintenance of ledgers and control registers.	JAO	AO
7	Issue of letters of extension of FBGs before expiry of validity	AO	ADG
8	Monthly review of FBGs and invocation in case of non-extension of FBGs	AO/ADG	Dir
9	Approval for invocation of FBGs in cases other than mentioned in item 8 above	ADG/Dir/DDG/ADV(F)	M(F)
10	Disposal of representation received from service providers (except those in item 11)	JAO/AO/ADG/Dir	DDG
11	Cases relating to disputes on rate of charging of interest/ penalty, adjustment of dues	AO/ADG/Dir/DDG/ADV(F)	Member(F)
12	Policy issues relating to tariff on spectrum charges and license fee on wireless license, AGR finalization and Spectrum assignment etc.	-Do-	-Do-
13.	Budget proposals for Wireless Revenue	AO/ADG/Dir	DDG
14	Notes for Empowered Committee meeting	ADG/Dir/DDG/Adv	Member (F)
15	Notes for Empowered Committee meeting	ADG/Dir/DDG/Adv	Member (F)
16	Cases of finalization of MTNL/BSNL assessment	JAO/AO/ADG/Dir	DDG
17	Finalization of CDMA AGR	-Do-	-Do-
18.	Extension of date after issue of initial letter/ dispatch note for up to 10-15 days	JAO/AO/ADG	Dir
19	Reply to CCAs' queries on policy issues and CCA monitoring	- Do-	- Do-
20	Audit Paras directly related to Dir (WR)	ADG/Dir	DDG
21	Periodical statements related to a) Cases pending for more than three weeks, b) Bimonthly statement of Revenue Collection, finalization of accounts and position of dues and FBGs (inclusive of WF position) c) Quarterly TC Memos	JAO/AO/ADG/Dir/ DDG/Adv(F)	Member (F)

Sl. No.	Item of Work	Channel of Submission	Level of Final Disposal
22	Quarterly statement of spectrum charges collected, to the Wireless Adviser	JAO/AO/ADG	Dir
23	Parliament question, legal Cases/ Court Cases/ VIP references.	ADG/Dir/DDG/ADV(F)	-Do-
24	Cases under RTI Act relating to WF matters.	JAO/AO/ADG/Dir	DDG
25	Proposals of Standing Committee and Estimates Committee	-do-	-do-

D2. Cases Relating to Director (WF)

Note: The work relating to expenditure-finance and budget is limited to WPC and WMO.

Sl No	Item of Work	Channel Of submission	Level Of final Disposal
1	(a) Sanction of new posts in Groups A, B, C & D (b) Permanency of posts: (i) Gr.A (Above JAG) (ii) Gr.B & Gr.A (JAG & below) (iii) Group C&D (c) Retention of posts; (i) Gr. B & Gr. A (ii) Gr. C & Gr. D.	SO/ Dir/ DDG/ ADV(F) SO/ Dir/ DDG/ ADV(F) SO/ Dir/ DDG SO/ Dir SO/ Dir/ DDG SO/ Dir	M(F) M(F) ADV(F) DDG ADV(F) DDG
2	(a) Cases of revision of pay scale/ grant of special pay. (b) Fixation of pay and arrears claims.	SO/ Dir/ DDG/ ADV(F) SO/ Dir	M(F) DDG
3	Scrutiny of Project Estimates & Detailed Estimates (including civil works):- (i) Proposals/ RPE up to Rs.5 crores (ii) Above Rs.5 crores.	SO/ Dir/ DDG SO/ Dir/ DDG/ ADV(F)	ADV(F) M(F)
4	Scrutiny & vetting of Budget proposals	SO/Dir/DDG	ADV(F)
5.	Monthly review of expenditure with reference to Budget allotments.	SO/Dir	DDG
6	Land acquisition cases	SO/Dir/DDG	ADV(F)
7	Payments to various international organizations like ITU and APT by WPC.	SO/Dir/DDG	ADV(F)
8	Purchase of staff car and vehicles.	ADG/Dir/DDG/ Adv(F)	M(F)
9	Condemnation of staff car/ vehicles and other related items	SO/Dir	DDG
10	Renting of accommodation	SO/Dir/DDG	ADV (F)
11	Scrutiny & evaluation of proposals (incl. tenders) for procurement of indigenous or imported stores/ services.	SO/Dir/DDG	ADV (F)
12	Cases related to temporary advance.	SO/Dir	DDG
13	Scrutiny and evaluation of Global tenders for stores/ services.	SO/Dir/DDG/Adv(F)	MEMBER(F)
14	Cases relating to sanction or enhancement of imprest.	SO/Dir/DDG	ADV(F)
15.	Maintenance of imprest sanctioned to DDG (WF)	AO/Dir	DDG
16	Write off of obsolete/ unserviceable stores.	SO/Dir	DDG
17	All matters relating to World Bank Project.	AO/Dir/DDG	ADV(F)
18	All periodical O&M returns pertaining to WFB.	SO/ Dir	DDG
19	Assessment and collection of spectrum charges, etc., from VSAT service providers.	AO/ Dir	DDG
20	Monthly review of amounts and validity of FBGs pertaining to Commercial-VSAT service providers.	AO	Director (WF)
21.	Issue of notices for extension of FBGs before expiry of validity in Commercial-VSAT cases	AO	Director (WF)
22	Invocation of FBG in case of non-extension of FBG by Commercial-VSAT operators	AO/Dir	DDG
23	Invocation of FBG in cases of non-payment of dues by the V-SAT operators by due date.	AO/ Dir/ DDG	Adviser(F)
24	Disputes by commercial V-SAT operators concerning interest, penalty, etc.	AO// Dir/ DDG/ Adv.(F)	Member(F)
25	Cases relating to request by Comml.-VSAT operators for adjustment of dues.	AO/ Dir./ DDG/ Adv(F)	Member(F)
26	Vetting of ATN on Audit Paragraphs; Replies to DAP. etc.	SO or AO/ Dir.	DDG
27	Audit paragraphs directly relating to Dir. (F), WFB.	SO or AO/ Dir.	DDG
28	VIP references, Parliament Questions, Court cases.	SO/ Dir/ DDG/ Adv(F)	Member(F)

SI No	Item of Work	Channel Of submission	Level Of final Disposal
29	Proposals of Standing Committee & Estimates Committees.	SO or AO/ Dir.	DDG
30	Cases under RTI Act pertaining to WR Section.	AO/ Dir	DDG

E. Interface with Field Organizations

E1. Decentralization of Work to CCAs

There are 23 field offices of the Controllers of Communication Accounts (CCAs) situated mainly at State capitals. These are headed by SAG or JAG level officers and have been authorized to collect wireless charges from private GSM and CDMA operators since April 2004 and April 2005 respectively.

Since July 2005 the CCAs have been authorized to collect payment of such charges from BSNL and MTNL as well. Copies of the various orders issued in this regard have been reproduced below at "F8. ORDERS BY OR FOR WIRELESS FINANCE BRANCH".

E2. Inspection of CCA Offices by Wireless Finance-HQ

Wireless spectrum is a revenue-sensitive item, fetching revenues of the order of over rupees two thousand crores (Rs. 20 Billion) per annum in 2006-07. Almost all this amount is being collected by the offices of Controllers of Communications Accounts (CCAs), who also maintain the Financial Bank Guarantees furnished by the operators at appropriate levels.

To ensure that the CCAs act strictly in accordance with the instructions contained in various circulars relating to the transfer of work from DOT (HQ) to them, their offices are from time to time inspected by officers from the Headquarters. The reports submitted by the inspecting officers are processed and follow up action taken thereon.

E3. Field Units of WPC and WMO

There are twenty one (21) units carrying out the main wireless monitoring activities in different parts of the country under the control and supervision of the Director (WMO), New Delhi. These are called *Wireless Monitoring Stations (WMS)* or *International Monitoring Stations (IMS)* and are located at the following stations.

Ahmedabad, Ajmer, Bhopal, Bangalore, Dibrugarh, Darjeeling (Jalpaiguri), Goa, Gorakhpur, Hyderabad, Jalandhar, Jammu, Mangalore, Nagpur, Ranchi, Shillong, Thiruvananthapuram, Vishakhapatnam, New Delhi, Kolkata, Chennai and Mumbai.

In addition, there also exists an *International Satellite Monitoring Earth Station (ISMES)* at Jalna in Maharashtra. The engineers-in-charge of all these units submit their expenditure 'bills' (including pay-bills) to the collocated CCAs to obtain funds (usually in the form of cheques) for eventual disbursement.

The WPC has also made certain efforts towards decentralization. It has established five *Regional Licensing Offices (RLOs)* in the country towards the end of 2006-07. These RLOs are situated in Chennai, Delhi, Kolkata, Mumbai and Shillong, and their territorial jurisdictions and work allocations have been spelt out in WPC's *Notice* dated 18.01.2007, which is reproduced below.

WPC No. L-14024/16/2006-LR dated 18.01.2007

To: RLO (N.Delhi, Chennai, Kolkata, Mumbai, Shillong); SACFA Members/ Wireless users; COAI; AUSPI; VSPA.

NOTICE**Subject: Decentralization of issue of certain categories of Licenses issued under Indian Telegraph Act 1885 and Indian Wireless Telegraphy Act, 1933.**

This Ministry has decided to decentralize some of Wireless Licenses of the following categories issued under Section 4 of the Indian Telegraph Act, 1885 to the Five Regional Licensing offices (RLO) located at Delhi, Kolkata, Mumbai, Chennai and Shillong with effect from 01.01. 2007.

- a) Radio Paging (Captive) License
- b) Import License
- c) Maritime Mobile Station License.
- d) Aeronautical Mobile Station License
- e) Radio Control of Models License.
- f) Experimental License
- g) Demonstration License
- h) Short Range UHF Radio (Hand-Held) License
- i) Certificate of Proficiency for Global Maritime and Safety Services (GMDSS)
- j) Certificate of Proficiency for Aeronautical Services –RTR(A)

2. It has been also decided that hence forth, all application/correspondence related to licenses be filed 'ON LINE' and hard copy along with fees etc. be sent within 15 days to Assistant Wireless Adviser of concerned RLO.

3. The Regional Licensing offices and their jurisdiction are as follows:-

Sl. No.	Address of Regional Licensing Office	Territorial Jurisdiction
1.	North, New Delhi WPC Wing Regional Licensing Office, Ministry of Communications & IT, Northern Regional Wireless Monitoring HQRS Campus, Mehrauli Gurgaon Road, New Delhi – 110 030. Tel. 91 11 26502671, Fax. 91 11 26502860	Delhi, Rajasthan, Punjab, Haryana, Chandigarh, J&K, Himachal Pradesh, Uttar Pradesh, Uttaranchal,
2.	Eastern, Kolkata WPC Wing Regional Licensing Office, Ministry of Communications & IT, Eastern Regional Wireless Monitoring HQRS Campus, (PO) Sarkarpole, Gopalpur, Kolkata - 700 173. Tel. 91 33 24011431 Fax. 91 33 24019407	West Bengal, Bihar, Jharkhand, Orissa, Sikkim, Andaman & Nicobar.
3.	Western, Mumbai WPC Wing Regional Licensing Office, Ministry of Communications & IT, Western Regional Wireless Monitoring HQRS Campus, Gorai Road, Borivali (West), Mumbai – 400 091. Tel. 91 22 28673979 Fax. 91 22 28672351	Maharashtra, Gujrat, Goa, Daman and Diu, Dadar & Nagar Haveli, Madhya Pradesh & Chattisgarh.
4.	Southern, Chennai WPC Wing Regional Licensing Office, Ministry of Communications & IT, Southern Regional Wireless Monitoring HQRS Campus (PO) Perungudi, Kandanchavadi, Chennai – 600 096. Tel. 91 44 24960172 Fax. 91 44 24960235.	Andhra Pradesh, Karnataka, Kerala, Tamilnadu, Minicoy, Pondichery and Lakshadeep
5.	North East, Shillong WPC Wing Regional Licensing office, Ministry of communications & IT, Wireless Monitoring Station Campus, Lapalangk Rynghah, Shillong – 793 006. Tel. 91 364 2537613 Fax. 91 364 2230893	Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland, and Tripura.

GUIDELINES: Applications for the issue of different categories of licenses under the following criteria are to be sent to the RLO concerned:

S. No.	Type of License	Criteria for submitting applications
1.	Experimental License	Where the location of experiments fall under the territorial jurisdiction of concerned RLO
2.	Demonstration License	Where the location of Demonstration fall under the territorial jurisdiction of

		concerned RLO
3.a	Import License: DPL Licensees	Where the location of DPL licensee fall under the territorial jurisdiction of concerned RLO
3.b	Import License: Captive Licensees	Where at least one location of transmitter of Captive licensee falls under the territorial jurisdiction of concerned RLO
3.c	Import License: Service Providers (Licensed for a telecom service area)	Where the service license fall under the territorial jurisdiction of concerned RLO
3.d	Import License: Service Providers (All India service license viz: NLD, ILD, VSAT, ISPs etc.)	Where the Corporate office of the Company is located in the territorial jurisdiction of concerned RLO
4.	UHF Short Range Radio (USR)	Where at least one location of transmitter of fall under the territorial jurisdiction of concerned RLO
5.	Aeromobile Station License	Where the Corporate office of the Company is located in the territorial jurisdiction of concerned RLO
6.	Maritime Mobile Station License	Where the Corporate office of the Company is located in the territorial jurisdiction of concerned RLO
7.	CoP RTR (Aeronautical)	Where the examination for award of certificate is held in the territorial jurisdiction of concerned RLO
8.	CoP (Maritime Mobile) including GMDSS	Where the examination for award of certificate is held in the territorial jurisdiction of concerned RLO
9.	Captive Radio Paging	Where the location of transmitter of Captive licensee fall under the territorial jurisdiction of concerned RLO
Assistant Wireless Adviser to the Govt. of India		

F. Revenue Management

F1. Scope of Work Being Handled by WF Branch

Work	Re: GSM-Users	Re: CDMA-Users
Handling of collections (i.e. <i>receipt</i>) of wireless charges from service providers. (PMRTS w.e.f. 1.1.03)	From 01.10.2002.	From 01.04.2003.
Assessment, reconciliation and finalization of accounts of wireless dues relating to service providers.	From 01.01.2002. <i>Notes:</i> (a). The computations were initially made on the basis of the: <ul style="list-style-type: none"> outstanding balances as on 31.12.2001, and details of spectrum charges collected by WPC, from 01.01.2002 to 30.9.2002, as received from the WPC Wing. (b). The outstanding balances as on 31.12.2001 intimated by WPC were got verified and reconciled by them.	From 01.04.2005. <i>Note:</i> Though the work was transferred to WFB with effect from 1.4.05, WPC did not furnish <i>closing balances</i> of outstanding wireless dues for the licensees as on 31.03.05. This was because WPC had not raised any demand based on the-then applicable formulae on any operator. The WFB therefore computed the charges retrospectively using the tabulated data supplied by WPC and the decision of Member (Finance) of 18-3-05 to commence charging from the date of 'earmarking' of spectrum.
Remarks	(a) Collection of spectrum charges has been decentralized to CCAs w.e.f. 01.04.2004. (b) Collection of spectrum charges from BSNL & MTNL decentralized w.e.f. 01.07.2005	(a) Collection of spectrum charges has been decentralized to CCAs w.e.f. 01.04.2005. (b) Collection of spectrum charges from BSNL & MTNL decentralized w.e.f. 01.07.2005.
Dates from which wireless charges were/ are being calculated on formula basis, rather than as a share of revenue earned.	<i>GSM Main:</i> Prior to 01.08.1999. <i>MW Access & MW Backbone:</i> Prior to 18.04.2002.	<i>CDMA Main:</i> Prior to 25.01.2001. <i>MW Access & Backbone:</i> Up to 02.11.2006.

Work	Re: GSM-Users	Re: CDMA-Users
Dates from which wireless charges are being calculated as a %-age of Adjusted Gross Revenue.	GSM: From 01.08.1999 MW Access & Backbone: From 18.04.2002	CDMA Main: From 25.01.2001 MW Access & Backbone: From 03.11.2006 .

F2. Assessment & Collection of Wireless Revenues

F2.1 Procedural Summary

The payment particulars pertaining to spectrum charges received by respective CCAs from the different service providers are forwarded to this office. After its checking and feeding in respective accounts (in the computer package), a license-wise outstanding statement is prepared based on the estimated AGR.

The spectrum charges are charged from the service provider on the basis of quantum of spectrum allotted. This is intimated by the WPC wing to WPF from time to time. The license fee/ royalty towards spectrum are payable at such times and in such manner as the WPC wing prescribes from time to time. The estimated AGRs of previous quarters are replaced by the actual AGRs in the following quarters.

Actual AGRs are replaced by finalized annual AGRs on receipt from LF branch in respect of each licensee. The spectrum charges are re-assessed and calculations also carried out to determine the interest recoverable for delayed payments (and penalty for short-payments). Demands are raised on the service providers and payment monitored.

The Wireless Finance Branch also carries out half-yearly reconciliation of month-wise receipts with reference to:

- a. The amounts booked in the monthly Cash Accounts Current (CAC) of respective CCAs, and
- b. The amounts booked by the Pay and Accounts Officer (Headquarters).

Half-yearly reconciliation of the basic physical data concerning *spectrum allotments* is also carried out by the WFB in association with the WPC wing.

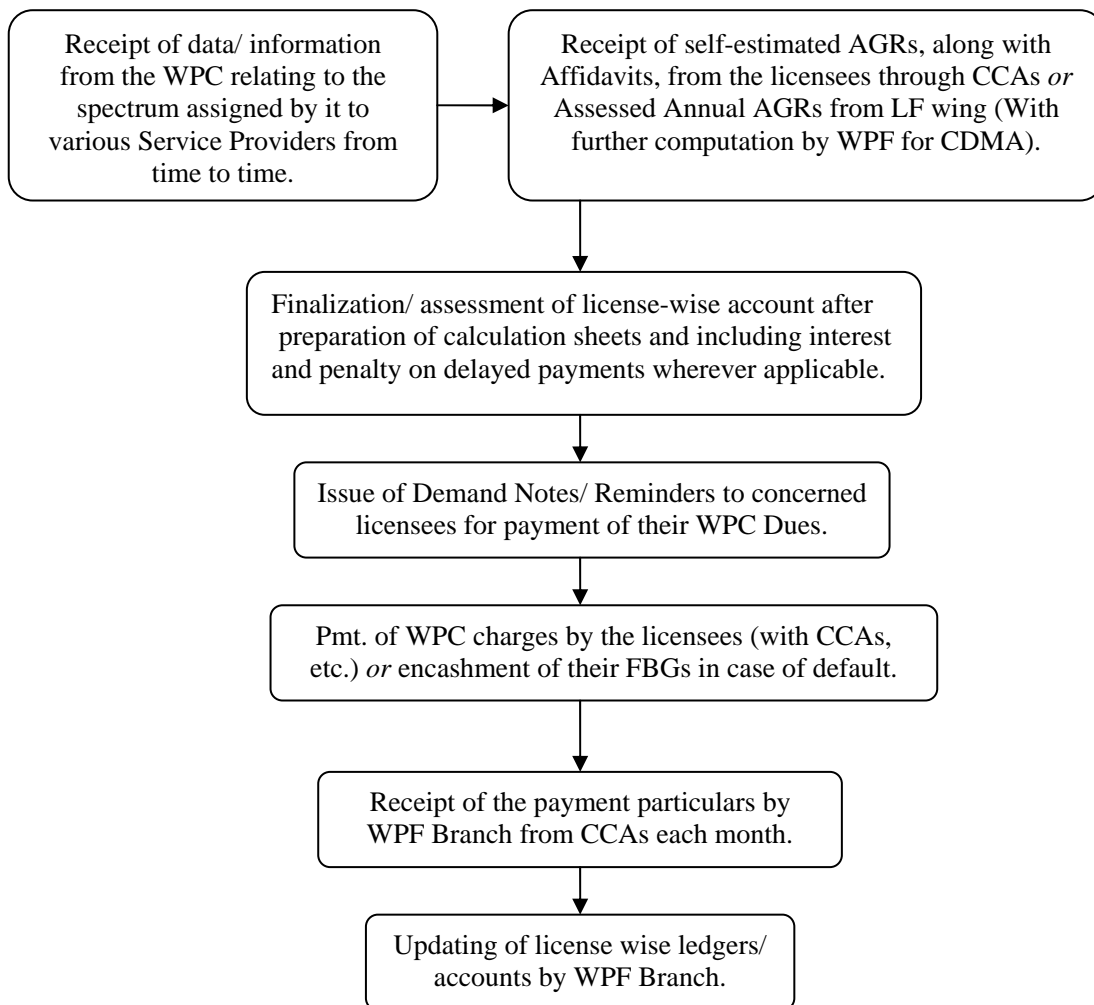
To securitize the spectrum charges, Financial Bank Guarantees are obtained from all service providers and are kept in safe custody. Letters for extension of FBGs are also issued to service providers before the expiry of validity of these FBGs.

Half yearly review of FBG amounts is also done and FBGs for enhanced amounts, if any, are asked for from the operators. Apart from the above, various representations received from the Service providers, and queries from CCAs, are also dealt with by the Wireless Finance branch.

F2.2 Work Flowchart.

The main procedure followed by the WFB for assessment and accounting of spectrum charges may be depicted in the form of a flowchart as follows.

(please see on next page)



F3. Computerization of Wireless Finance Branch

Through completely in-house efforts and sole initiative of the then WPF team, a very simple and easy to use computerized module was developed in the year 2004-05. It is based on MS-Excel and has been running fairly satisfactorily.

The software takes care of computation of both GSM and CDMA spectrum charges, interest and penalty thereon, as well as maintenance of license-wise comprehensive ledger of payments and dues.

The salient features of the software module are described below.

- a. There are three sheets in the module.
- b. Sheet one contains details of quarter-wise AGRs (Finalized as well as estimated), quarter-wise rate of spectrum charges and computation of quarter-wise spectrum charges payable by the service provider.
- c. Sheet two picks up the payable spectrum charges in the new payment due column and once the payment due date is input along with the payments made during the quarter with

the dates of payment it computes the up to date dues, both principal as well as interest. The *inputs* required for this are as follows:-

1. Due date of payment,
 2. Payment details,
 3. Rate of interest (only in case of any change), and
 4. Amount of penalty and its due date from sheet three.
- d. Sheet three compares the total payable amount with the total payments made for the year and computes penalty (with interest, if applicable) if the shortfall in payment made is more than 10%. Input required is the date of signing of the Audit Report on the annual accounts of licensee.
- e. In addition to the above three sheets, there are two more sheets which automatically consolidate amounts collected up to a quarter and outstanding dues at the end of a quarter for all the licenses. One of the consolidations is license-wise/ company-wise while the other is Service Area-wise.

F4. Schedule of Payment of Wireless Charges

The *main Service licenses* that use spectrum are issued under the categories of Pre-1999 Cellular, BASIC, 4th Cellular 2001, UASL, Commercial VSAT, NLD and ILD.

These stipulate that spectrum charges shall be payable at such times and in such manner as the WPC wing of the DOT prescribes from time to time.

The following table summarizes the schedule of payment of spectrum charges in the various spectrum licenses, as obtaining at present.

License Category	Schedule of Payment
1. Pre-1999 Cellular/ 4 th cellular 2001/ UASL providing cellular services/ Migrated to UASL & providing cellular services	<p><i>From April 2002 to date:</i></p> <p>1. "The spectrum charges shall henceforth be payable on a quarterly basis in advance i.e. within 15 days of the commencement of the each quarter beginning from April 2002."</p> <p>2. "In so far as spectrum charges for Microwave access and backbone networks are concerned, the same can also be paid on quarterly basis in advance along with the payments of cellular GSM other charges."</p> <p style="text-align: right;"><i>Source: WPC letter dt 26/03/2002</i></p>
2. Basic/ Migrated to UASL & providing Basic services/ UASL providing Basic services	<p><i>From April 2002 to date.</i></p> <p>1. "The spectrum charges shall be payable on a quarterly basis in advance i e; within 15 days of the commencement of the each quarter beginning from April 2002."</p> <p>2. "In so far as spectrum charges for Microwave access and backbone networks are concerned, the same shall continue to be levied/calculated as per...existing Orders. However, the same can also be paid on quarterly basis in advance along with the payments of 2% of AGR earned from WLL subscribers and other charges..."</p> <p style="text-align: right;"><i>Source: WPC letter dt 03/04/2002</i></p>
3. Commercial V-SAT	<p><i>From 1st Jan 2003 to date.</i></p> <p>"Payment of WPC spectrum charges shall be on an advance quarter basis and payable within 15 days of the commencement of the respective quarter,"</p> <p style="text-align: right;"><i>Source: WPC letter No. R-11014/9/2001-lr dt. 16.4.03</i></p>

F5. Wireless Charges at a Glance

F5.1 Wireless Charges for GSM Operators

Subscriber Access Spectrum:

- 2% of AGR for Spectrum usage up to 4.4 + 4.4 MHz
- 3% of AGR for Spectrum usage up to 6.2 + 6.2 MHz
- 4% of AGR for Spectrum usage up to 10 + 10 MHz (Maximum slab in use at present)
- 5% of AGR for Spectrum usage up to 12.5 + 12.5 MHz
- 6% of AGR for Spectrum usage up to 15 + 15 MHz

MW Access (Up to 2.11.2006)

- Bandwidth up to 112 MHz in Circles/ Up to 224 MHz in Metros: 0.25 % of AGR
- Every additional 28 MHz in Circles/ 56 MHz in Metros: Additional. 0.05% of AGR

MW Backbone (Up to 2.11.2006)

- Bandwidth up to 56 MHz: 0.10% of AGR
- Every additional. 28 MHz: Additional 0.05% of AGR

MW Access and MW Backbone (From 3.11.2006)

As in the table given below #.

Spectrum Bandwidth	Spectrum charges as percentage of AGR	Cumulative spectrum charges as % of AGR
First carrier of 28 MHz (paired)	0.15%	0.15%
Second carrier of 28 MHz (paired)	0.20%	0.35%
Third carrier of 28 MHz (paired)	0.20%	0.55%
Fourth carrier of 28 MHz (paired)	0.25%	0.80%
Fifth carrier of 28 MHz (paired)	0.30%	1.10%
Sixth carrier of 28 MHz (paired)	0.35%	1.45%

Clarifications as to the rates to be charged for seventh carrier onwards, etc. are expected.

F5.2 Wireless Charges for CDMA Operators

Subscriber Access Spectrum:

- 2% of AGR for spectrum usage up to 5 + 5 MHz
- 3% of AGR for Spectrum Usage up to 6.25 + 6.25 MHz
- 4% of AGR for Spectrum usage up to 10 + 10 MHz
- 5% of AGR for Spectrum usage up to 12.5 + 12.5 MHz
- 6% of AGR for Spectrum usage up to 15 + 15 MHz

MW Access and MW Backbone (Up to 2.11.2006):

- (a) $\text{Annual Royalty} = M \times W \times C$, where,
 M = Constant multiplier depending upon the end to end distance for M/W links,
 W = Weight decided by *adjacent channel separation* of RF channeling plan deployed,
 C = Number of RF channels used.

- (b) $\text{License Fee} = 1000 \times N$, where N is the number of Fixed Stations.

MW Access and MW Backbone (From 3.11.2006):

Same as for GSM users.

F5.3 Wireless Charges for Commercial-VSAT Networks

Range of Data Rate	Spectrum Charges
Up to 128 KBPS	3% of AGR
Higher than 128 KBPS and up to 512 KBPS	3.5% of AGR
Higher than 512 KBPS and up to 2 MBPS	4% of AGR

F6. License Provisions Concerning Wireless Charges

F6.1. Extracts from Basic Service Agreements Signed in 1997

1.7.5.2 FREQUENCY SPECTRUM ALLOCATION

a) Based on the availability of equipment for Wireless in Local Loop (WILL), in the world market, the Wireless Planning and Coordination Wing (WPC Wing) shall consider allocation of suitable slots of frequency spectrum for WILL technologies in the following frequency bands, subject to satisfactory coordination with existing usages:

- i) 864 to 868 MHz
- ii) 824 to 849 MHz
- iii) 869 to 889 MHz
- iv) 1.8 to 1.9 GHz

b) Following frequency bands could be considered for fixed point to point radio relay links subject to satisfactory frequency coordination :

- i) 3.6 to 3.8 GHz for 140 Mbps point to point links.
- ii) 3.3 to 3.7 GHz to 2 Mbps, 8 Mbps, 34 Mbps point-to-point and 2 Mbps point-to-multi-point links
- iii) 13.25 to 14.25 GHz for fixed point-to-point links.
- iv) 14.8 to 15.35 GHz for fixed point-to-point links.
- v) 17.7 to 19.7 GHz for fixed point-to-point links.

c) The frequency bands including the following may be considered for Rural Radio Telephone System's purpose subject to coordination:

- a) 367.399.9 MHz
- b) 3.4-3.8 GHz
- c) 10.5-10.68 GHz

A separate license shall be required from the WPC Wing of the Ministry of Communications for establishment and operation of radio links on terms and conditions of that license. Grant of such license will be governed by the normal rules, procedures and guidelines and will be subject to completion of all necessary requirements and clearances.

Actual allocation of frequencies by WPC Wing to the LICENSEE will be subject to availability, technical feasibility, justification, policies, electro-magnetic compatibility, satisfactory coordination with other allocated and/or existing users and all relevant spectrum management principles, procedures and practices.

Decision on allocation of frequencies in respect of WLL system in 800 MHz band may ordinarily be available in a time frame of three months from the date of receipt of application, complete in all respects, from the LICENSEE.

License fee and royalty shall have to be paid by LICENSEE to WPC for grant of license which will be subject to revision from time to time.

The LICENSEE shall not cause harmful interference to other authorized users to radio spectrum.

CONDITION 5: WPC WING'S LICENSE

5.1 A separate specific license shall be required from the WPC Wing of Ministry of Communications which will permit utilization of appropriate frequencies/ band for the establishment and operation of concerned wireless element of the telecom service under usual terms and conditions of the license. Grant of license will be governed by normal rules, procedures and guidelines and will be subject to completion of necessary formalities.

5.2 For this purpose, an application shall be made to the "Wireless Adviser to the Government of India, WPC Wing, Ministry of Communications, Sardar Patel Bhavan, Sansad Marg, New Delhi – 110 001" in a prescribed application form available from WPC Wing.

5.3 Siting clearance in respect of fixed stations and its antenna mast shall be obtained from the WPC Wing for which the applicant shall apply to the Secretary, SACFA (Standing Advisory Committee on Frequency Allocations) in the prescribed application form to the following address:

The Secretary (SACFA), WPC Wing,
Ministry of Communications, Sardar Patel Bhavan,
Sansad Marg, New Delhi – 110 001

Note: SACFA is the apex body in the Ministry of Communications for considering matters regarding coordination for frequency allocations and other related issues/ matters. (Siting clearance refers to the agreement of major wireless users for location of proposed fixed antenna from the point of view of compatibility with other radio systems and aviation hazard. It involves inter departmental coordination and is an involved process). Siting clearance procedure may take two to six months depending on the nature of the installations and the height of the antenna masts.

License fee/ royalty as prescribed by WPC from time to time, shall have to be paid by LICENSEE towards grant of license for usage of frequency spectrum. Quantum of License fee/Royalty shall depend upon number of RF Channels, the frequency band, maximum link distance and other related aspects.

The LICENSEE shall not cause harmful interference to other authorized uses of radio spectrum. WPC Wing will have the sole discretion to take practicable and necessary steps for elimination of harmful interference, if any, to other licensed users.

The Wireless Planning and Coordination Wing shall have the right to inspect from time to time the installations from technical angles to check conformity with WPC Wing's license.

ACCESS CHARGES:

18.4 The annual license fee referred to above does not include Royalty fees payable to WPC Wing of Ministry of Communications (WPC) for use of Radio Frequencies which shall be paid separately by the LICENSEE on the rates prescribed by the WPC Wing as per procedure specified by it.

a)Resources and other support facilities provided by the LICENSORbe charged separately at prescribed rates and intervals.

b)signing of License Agreement, the LICENSEE shall establish ... with a Scheduled Bank in India, to which all revenues accruing from the operations under this license shall be credited. The LICENSOR shall have a lien of 30% on the amount of funds credited to this account towards amounts payable to the LICENSOR/ DOT. Adjustments of payments due shall be carried out between the LICENSOR and the LICENSEE on a quarterly basis in advance. The LICENSOR may specify the estimated quarterly amounts in the beginning of the year and any balance adjustment may be made in the last week of the quarter. If the amount of balance adjustment at the end of any quarter exceeds Rs.2 lakhs, suitably revised amount may be specified for the ensuing quarter. If it is clear that the specified amount for remaining quarters of the year needs to be revised, this shall be done. Collection accounts in different towns and cities may be opened for transfer to main account at the circle headquarters with appropriate instructions for implementing escrow account provision.

Since this account will not have adequate funds initially, a financial Bank Guarantee is required till this account becomes sufficiently healthy and continues to be so and till the LICENSOR decides to act as per para above. For the period up to the first two years after commissioning of the service, the LICENSOR may specify 'nil' amount to the bank where escrow account is established, as financial Bank Guarantee covering the dues to the LICENSOR would be available for this initial period.

18.7 For covering the payment due to the LICENSOR/ DOT, before the signing of the license agreement, the LICENSOR shall submit a Financial Bank Guarantee from any Scheduled Bank, to be renewed from time to time and initially valid for a period of two years from the effective date. The amount of Financial Bank Guarantee shall be as per the following details:

(a) For first year:

Category of Service Area	Amount of Financial Bank Guarantee for the Service Area
A	Rs.50 crores
B	Rs.25 crores
C	Rs.15 crores

(b) For the second year onwards, the FBG shall be subject to annual review and shall be required to be provided for an amount equivalent to the sum of the respective annual amounts payable towards the license fee, assessed access charges, interconnect charges, charges for resources leased etc. and keeping in view the amounts which become available in the escrow account. The LICENSEE shall, therefore, be required to provide the requisite amendment/additional Financial Bank Guarantee for the differential amount accordingly before the commencement of each succeeding year.

18.8 In case of overdue payments, interest shall be charged on the due amount at the prime lending rate specified by State Bank of India from time to time plus 5% per annum (compounded monthly) applicable with effect from the date on which the payment becomes due.

F6.2. Extracts from Basic Service Agreements Signed in 2001

5.3 An additional revenue share of 2% (Two percent) of ADJUSTED GROSS REVENUE earned from Wireless Local Loop (WLL) subscribers shall be payable as spectrum charge for allocation of up to 5 plus 5 MHz in 824-844 MHz band paired with 869-889 MHz band for wireless subscriber access system. This will include royalty for spectrum of 5+5 MHz as well as the LICENSE Fee for the base station and SUBSCRIBER terminal (handheld or fixed). The same principle shall be followed for spectrum charges in 1880-1900 MHz band for micro-cellular technology based system.

5.4 Payments for point-to-point Radio links:

Further the Fee/ Royalty for the use of spectrum and also for possession of wireless telegraphy equipment for point to point radio link, shall be separately payable as per the details and prescription of Wireless Planning and Coordination Wing. The Fee/ royalty for the use of spectrum/ possession of wireless telegraphy equipment for point to point radio link, depends upon various factors such as frequency, hop and link length, area of operation and other related aspects.

6.9 The Fee/ Royalty described at 5.4 above shall be payable at such time(s) and in such manner as the WPC Wing of the Department of Telecommunications, Ministry of Communications may prescribe from time to time.

Financial Bank Guarantee:

7.2 The fees, charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitized by furnishing FBG on an amount equivalent to the estimated sum payable annually in the proforma annexed, to WPC, valid for a period of one year, renewable from time to time till final clearance of all such dues.

F6.3. Extracts from Fresh U.A.S. License Agreements (Taken from Licenses Signed in 2004)

18.3 Radio Spectrum Charges:

18.3.1 The LICENSEE shall pay spectrum charges in addition to the License Fees on revenue share basis as notified separately from time to time by the WPC Wing. However, while calculating 'AGR' for limited purpose of levying spectrum charges based on revenue share, revenue from wireline subscribers shall not be taken into account.

18.3.2 Further royalty for the use of spectrum for point to point links and other access links shall be separately payable as per the details and prescription of Wireless Planning & Coordination Wing. The fee/ royalty for the use of spectrum/ possession of wireless telegraphy equipment depends upon various factors such as frequency, hop and link length, area of operation and other related aspects etc. Authorization of frequencies for setting up Microwave links by Licensed Operators and issue of Licenses shall be separately dealt with WPC Wing as per existing rules.

20.9 The Fee/ Royalty payable towards WPC Charges shall be payable at such time(s) and in such manner as the WPC Wing of the DoT may prescribe from time to time.

Financial Bank Guarantee:

21.3 The Fees, charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment

shall be separately securitized by furnishing FBG of an amount equivalent to the estimated sum payable annually in the proforma annexed, to WPC, valid for a period of one year, renewable from time to time till final clearance of all such dues.

F6.4. Extracts from UASL Agreements Post-Migration from CMTS (From DOT's Website)

18.3 Radio Spectrum Charges:

18.3.1 In addition to the license fee as per clause 18.2, the Licensee shall pay spectrum charges on revenue share basis of 2% of AGR towards WPC Charges covering royalty payment for the use of cellular spectrum up to 4.4 MHz + 4.4 MHz and License fee for Cellular Mobile handsets & Cellular Mobile Base Stations and also for possession of wireless telegraphy equipment as per the details prescribed by Wireless Planning & Coordination Wing (WPC). Any additional bandwidth, if allotted subject to availability and justification shall attract additional License fee as revenue share (typically 1% additional revenue share if Bandwidth allocated is up to 6.2 MHz + 6.2 MHz in place of 4.4 MHz + 4.4 MHz).

18.3.2 Further, royalty for the use of spectrum for point to point links and access links (other than Cellular Service Spectrum) shall be separately payable as per the details and prescription of Wireless Planning & Coordination Wing. The fee/ royalty for the use of spectrum/ possession of wireless telegraphy equipment depends upon various factors such as frequency, hop and link length, area of operation etc. Authorization of frequencies for setting up Microwave links by Cellular Operators and issue of Licenses shall be separately dealt with WPC Wing as per existing rules.

18.3.3 The above spectrum charge is subject to unilateral review by WPC Wing from time to time which shall be binding on the licensee.

21.3 The Fees, charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitized by furnishing FBG of an amount equivalent to the estimated sum payable annually in the proforma annexed, to WPC, valid for a period of one year, renewable from time to time till final clearance of all such dues.

F6.5. Extracts from Cellular Service Agreements Signed in 1995

19.4 The annual license fee referred to above does not include Royalty fees payable to WPC Wing of Ministry of Communications (WPC) for use of Radio Frequencies which shall be paid separately by the licensee on the rates prescribed by the WPC and as per procedure specified by it.

20.4 License fee and Royalty shall have to be paid for grant of license which shall be subject to revision from time to time.

F6.6. Extracts from Cellular Service Agreements Signed in 2001

19.3 Radio Spectrum Charges:

In addition, the cellular licensees shall pay spectrum charges on revenue share basis of 2% of AGR towards WPC Charges covering royalty payment for the use of cellular spectrum up to 4.4 MHz + 4.4 MHz and License fee for Cellular Mobile handsets & Cellular Mobile Base Stations and also for possession of wireless telegraphy equipment as per the details prescribed by Wireless Planning & Coordination Wing (WPC). Any additional bandwidth, if allotted subject to availability and justification shall attract additional License fee as revenue share (*typically 1% additional revenue share if Bandwidth allocated is up to 6.2 MHz + 6.2 MHz in place of 4.4 MHz + 4.4 MHz*).

Further, royalty for the use of spectrum for point to point links and access links (other than Cellular Service Spectrum) shall be separately payable as per the details and prescription of Wireless Planning & Coordination Wing. The fee/ royalty for the use of spectrum/ possession of wireless telegraphy depends upon various factors such as frequency, hop and link length, area of operation etc. Authorization of frequencies for setting up Microwave links by Cellular Operators and issue of Licenses shall be separately dealt with WPC Wing as per existing rules.

21.9 The Fee/ royalty payable towards WPC Charges shall be payable at such time(s) and in such manner as the WPC

Wing of the Ministry of Communications may prescribe from time to time.

22.1 The licensee shall submit a Financial Bank Guarantee (FGB), valid for one year, from any Scheduled Bank or Public Financial Institution duly authorized to issue such Bank Guarantee, in the prescribed Performa annexed Initially, the financial bank guarantee shall be for an amount of Rs. 50, 25 & 5 Crores for category 'A' 'B' & 'C' service areas respectively which shall be submitted before signing the License agreement. Subsequently, the amount of FBG shall be equivalent to the estimated sum payable annually (later revised to 2 quarters' sum) towards the License fee and other dues not otherwise securitized. The amount of FBG shall be subject to periodic review by the Licensor. The bidder shall also submit Performance Bank Guarantee (PBG) of amount equal to Rs.20.10 and 2 Crores for category 'A' 'B' & 'C' service areas before signing the License. The licensee shall be permitted to reduce the value of the PBG by 50% after the coverage criteria prescribed in this License is fulfilled.

F6.7. Extracts from V-SAT Service License Agreements

5.1. Radio Spectrum Charges:

- (a) The LICENSEE shall also pay fees and royalty for the use of radio frequency as per details prescribed by Wireless Planning & Coordination (WPC).
- (b) The LICENSEE shall also pay the space segment charges as applicable from time to time and secure them through a Financial Bank Guarantee.

Financial Bank Guarantee:

7.3. The Fees, charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitized by furnishing BG of an amount equivalent to the estimated sum payable annually in the Performa prescribed by WPC, to WPC, valid for a period of one year, renewable from time to time till final clearance of all such dues.

- From DOT's Website

F6.8. Extracts from UASL Amendment dated 24.03.05

Note: The amendment concerning interest and penalty is applicable only from 2005-2006, i.e. in respect of the license fee arising for the period from 1st April 2005 onwards.

Existing Clause	Amendment
20.5 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 5% above the Prime Lending Rate (PLR) of State Bank of India prevalent on the day the payment became due. The interest shall be compounded monthly and a part of the month shall be reckoned as a full month for the purposes of calculation of interest.	20.5 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 Prime Lending Rate (PLR) of State Bank of India existing as on the beginning of the financial year (1 st April) in respect of the license fees pertaining to the said financial year. The interest shall be compounded monthly and a part of the month shall be reckoned as a full month for the purpose of calculation of interest.
20.8 In case, the total amount paid on the self-assessment of the LICENSEE as quarterly LICENSE Fee for the 4 (four) quarters of the financial year, falls short by more than 10% of the payable LICENSE Fee, it shall attract a penalty of 150% of the entire amount of short payment. This amount of short payment along with the penalty shall be payable within 15 days of the date of signing the audit report on the annual accounts, failing which interest shall be further charged as per terms of Condition 6.5. However, if such short payment is made good within 60 days from the last day of the financial year, no penalty shall be imposed.	20.8 In case, the total amount paid on the self-assessment of the LICENSEE as quarterly LICENSE Fee for the 4 (four) quarters of the financial year, falls short by more than 10% of the payable LICENSE Fee, it shall attract a penalty of 50% of the entire amount of short payment. This amount of short payment along with the penalty shall be payable within 15 days of the date of signing the audit report on the annual accounts, failing which interest shall be further charged as per terms of Condition 6.5. However, if such short payment is made good within 60 days from the last day of the financial year, no penalty shall be imposed.

F6.9. Merger of Telecom Licenses in a Service Area

DOT No. 20-232/2004-BS.III dated 21.02.2004

Subject: **Guidelines for Merger of Licenses in a Service Area**

In keeping with the policy of bringing in sustained reforms in the Telecom sector in India for making the service available in the most efficient and affordable manner, Government have decided, after due consideration of the recommendations of Telecom Regulatory Authority of India, the following Guidelines for merger of Basic, Cellular and Unified Access Service licenses in a given Service Area for proper conduct of Telegraphs and Telecommunications services, thereby serving the public interest in general and consumer interest in particular: -

1. Merger of licenses shall be restricted to the same service area.
2. Merger of license consequent to mergers/ acquisitions or restructuring of the operations shall be permitted in the following category of licenses:
 - (i) Cellular License with Cellular License;
 - (ii) Basic Service License with Basic Service License;
 - (iii) Unified Access Services License (UASL) with Unified Access Services License;
 - (iv) Basic Service License with Unified Access Services License;
 - (v) Cellular Service License with Unified Access Services License;

In case of a merger of a basic service license with UASL, the basic service licensee shall pay, at the time of application for merger, the difference of amount of the entry fee, if any, as per the Guidelines for migration to UASL dated 11.11.2003.

3. Merger of licenses will be permitted subject to the condition that there are at least three operators in that service area for that service, consequent upon such merger. It is clarified that Unified Access Service Licensee will be counted for Basic as well as Cellular service separately while deciding the number of operators in a given service area.
4. Prior approval of the Department of Telecommunications will be necessary for merger of the license. The findings of the Department of Telecommunications would normally be given in a period of about four weeks from the date of submission of application.
5. Any merger, acquisition or restructuring, leading to a monopoly market situation in the given Service Area, shall not be permitted. Monopoly market situation is defined as market share of 67 per cent or above within a given Service Area, as on the last day of previous month. Subscriber base shall be criteria for computing the market share. For example, if an application is made on the 10th January, the market share as on 31st December of the previous year shall be taken into account. For this purpose, the market will be classified as fixed and mobile separately. The category of fixed subscribers shall include wire-line subscribers and fixed wireless subscribers. The number of subscribers shall be as per the Exchange Data Records. The category of mobile subscribers shall include limited mobile subscribers and full mobile subscribers. The subscriber figure, as per the Home Location Register (HLR) and Exchange Data Record shall be taken into account for the purpose of calculating the number of mobile subscribers in a given Service Area. Further, the Department is at liberty to verify these figures from any other source. In case of merger of two Unified Access Service Licenses, the total subscriber base of each will be taken into account.
6. Consequent upon the Merger of licenses, the merged entity shall be entitled to the total amount of spectrum held by the merging entities, subject to the condition that after merger, the amount of spectrum shall not exceed 15 MHz per operator per service area for Metros and category 'A' Service Areas, and 12.4 MHz per operator per service area in category 'B' and category 'C' Service Areas. Subject to these limits, the merged spectrum will remain with the merged entity and would be treated as a starting point for further allocation and revision, as per the detailed Spectrum Guidelines to be issued separately. The guidelines on efficient utilization of spectrum and its pricing shall be applicable.
7. The spectrum utilization charges beyond 10 + 10 MHz for GSM based system and 5 + 5 MHz for CDMA/ ETDMA based systems shall be prescribed separately. The merged entity will have to pay the prescribed charges from the date of merger of licenses.
8. Discretion to choose the band to surrender the spectrum beyond the ceiling will be of the new entity.
9. All dues, if any, relating to the license of the merging entities in that given service area, will have to be cleared by either of the two parties before issue of the permission for merger of licenses.
10. Subject to the orders of the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), in Appeal No. 11/2002 (BSNL Vs. TRAI) it may be noted that TRAI has already classified an operator having market share greater or equal to 30% of the relevant market as one having "Significant Market Power" (SMP) in its Reference Interconnect Offer (RIO). In

case the merged entity becomes an SMP post merger, then the extant rules & regulations applicable to SMPs would also apply to the merged entity.

11. The dispute resolution shall lie with Telecom Disputes Settlement and Appellate Tribunal as per TRAI Act 1997 as amended by TRAI (Amendment) Act 2000.

12. While granting permission for merger of licenses, the Licensor may, suitably amend/ relax/ waive the conditions in the respective licenses relating to the Clause on holding of 'substantial equity'.

13. LICENSOR reserves the right to modify these guidelines or incorporate new guidelines considered necessary in the interest of national security, public interest and for proper conduct of telegraphs.

14. These Guidelines can be reviewed after a period of one year, or earlier if warranted.

(Sukhbir Singh)
Director (BS.III)

DOT No. 20-232/2004-BS.III dated 17.03.2004

Subject: **Guidelines for Merger of Licenses in a Service Area – Clarification Regarding Effective Date**

In continuation of this office O.M. even number dated 21st February, 2004 on the above mentioned subject, it is clarified that the duration of license of the merged entity will be equal to the duration of License of acquiring company. For example, if license 'B' is merging with License 'A', then the duration of License 'A' will be applicable for merged entity.

(Govind Singhal)
Director (BS.III)

F7. Orders, Circulars & Decisions on Spectrum Charges

DOT No. R-11014/4/87-LR dated 09.12.1987

Subject: **Payment of License Fee for the Grant of Wireless Telegraph Station License, Fees for Issuance of Duplicate Copy, and Surcharge for Late Renewal of License etc.**

In pursuance of the [Indian Telegraph Act, 1885](#) (13 of 1885), the Central Government hereby prescribes the following rates of (a) license fees for the grant and renewal of various categories of licenses; (b) fees for issuance of duplicate copy of license and renewal certificate and (c) surcharge for late renewal of licenses:-

I. License Fee

S. No.	Category of License	License Fees
1	Fixed/Land/Land Mobile Station License	Rs. 100/- per station per annum
2	Citizen Band License	Rs. 50/- "
3	Maritime Mobile Station License	Rs. 250/- "
4	Aeromobile Station License	Rs. 250/- "

Notes:

- I. The license fee for 'stand-by' set shall also be charged at the above Rates.
2. These licenses may be issued/ renewed for a period of 2 years at a time, if otherwise not required for shorter period.
2. Following fees shall be payable for the issuance of Import License/ Duty Concession Certificate in respect of Wireless Telegraph Apparatus and their component parts issued by the Ministry of Communications in pursuance of Notifications of the Ministry of Finance (Revenue Dept.) under the provisions of the Customs Act, 1962:-
 - (i) Import License i.e. Customs Clearance Permit in respect of transmitter/ Transreceiver and component parts thereof. Rs.50/-
 - (ii) Duty Concession Certificate Rs.50/-
- II. Duplicate copy of License/ Renewal Certificate -- Fee for issuance of:
 1. License and/ or license schedule Rs.50/- each
 2. Renewal Certificate Rs.25/- each

III. Surcharge for late renewal of wireless telegraph station licenses:

1.	Fixed/ Land/ Land Mobile Station License	Rs. 10/- per station/ quarter or part thereof
2.	Citizen Band License	Rs. 5/- "
3.	Maritime Mobile Station License	Rs. 25/- "
4.	Aeromobile Station License	Rs. 25/- "

IV. The Order shall come into force from 1st January 1988, in respect of all licenses expiring by 31st December, 1987. However, in cases where the licenses had already been issued/ renewed for a period falling beyond 31.12.1987, it shall be effective from the date of their next renewal.

V. This supersedes the Ministry's earlier order[#] No. R-11012/1/70-LR dated 10.11.1972 on the subject.

VI. The revised rates have been fixed with the concurrence of the Ministry of Communications (Finance) vide their UO NO.1248/CF/87 dated 21st August, 1987.

VII. Please see separate order in respect of rates of Royalty charges for the grant of these licenses.

(T.C. Gupta)
Assistant Wireless Adviser to the Government of India

Copy to: All Concerned Monitoring Organization Engineer-in-Charge (All regions), All Monitoring Stations, Ministry of Communications (Finance).

Not printed, being not available.

DOT No. R-11014/4/87-LR dated 09.12.1987

ORDER

Subject: Royalty Charges for the Grant of License to Establish, Maintain and Work Fixed/ Land/ Land Mobile Station under the Provisions of the Indian Telegraph Act, 1885

In pursuance of powers conferred by Section 4 of the Indian Telegraph Act 1885 (13 of 1885), the Central Government hereby prescribes the following rates of royalty charges for the grant of license to establish, maintain and work fixed/ Land/ Land Mobile wireless telegraph stations:-

2. The order shall come into force from 1st January 1998.
3. The royalty shall be charged on the basis of maximum distance over which the network would operate and shall be categorized as below:

Category	
Category I	Distance upto 5 Kms.
Category II	Distance above 5 Kms. but upto 60 Kms. (VHF without repeater)
Category III	Distance above 60 Kms. but upto 120 Kms. (VHF with repeater)
Category IV	Distance above 120 Kms. but upto 500 Kms. (Generally HF links)
Category V	Above 500 Kms.

4. Circuits under category I, II & III shall be charged on 24 hrs. basis. The circuits under Category IV and V may be charged on two time blocks i.e. 12 hours and 24 hours (day/ night). The royalty for 12 hours block shall be 2/3 rate of 24 hours block.
5. Basic link in the circuit shall consist of 2 stations per frequency. Every additional station in the circuit over and above the basic two stations shall be charged royalty at the rate of 25% of the basic link royalty.
6. Royalty for the first year may be charged on quarterly basis as and where applicable, the quarter year being Jan-Mar, Apr.-Jun., Jul.-Sept. and Oct.-Dec. The charges for quarter year will be ¼ of full year royalty.
7. Royalty charges for Duplex, Semi-Duplex and multichannel Circuits:
 - (i) Duplex & Semi-Duplex circuits: Twice the rate of single frequency (simplex) circuits.
 - (ii) Multichannel circuits: Charges on the basis of single frequency circuit multiplied by number of channels (capacity of the licensed equipment).
 - (iii) Multi-frequency circuits: For circuits employing more than one frequency in the network, even in simplex mode, basis royalty will be charged for each frequency separately.

8. Summary of Royalty Rates:

(a)	Circuit Category	Annual Royalty Charges	
		24 hrs.	12 hrs.
	I	Rs. 1200/-	-
	II	Rs. 4800/-	-
	III	Rs. 9000/-	-
	IV	Rs. 15000/-	Rs. 10000
	V	Rs. 20000/-	Rs. 13500/-

(b) For every additional station in the circuit, over and above the basic 2 stations, per frequency:

	Circuit Category	Annual Royalty Charges	
		24 hrs.	12 hrs.
	I	Rs. 300/-	-
	II	Rs. 1200/-	-
	III	Rs. 2200/-	-
	IV	Rs. 3700/-	Rs. 2500/-
	V	Rs. 5000/-	Rs. 3300/-

Note: The licenses may be issued/ renewed for a period of 2 years at a time, if otherwise not required for shorter period.

9. This order supersedes the previous order[#] on the subject which had been effective from 1st January 1968.

10. This issues with the concurrence of the Ministry of Communications (Finance) vide their UO No.1248/CF/87 dated 21st August, 1987.

11. Please see separate order in respect of rates of license fee towards the grant etc. of these licenses.

(T.C. Gupta)
Assistant Wireless Adviser to the Government of India

Copy to:

- All concerned
- Monitoring Organisation
- Engineer-in-Charge (All regions)
- All Monitoring Stations
- Ministry of Communications (Finance)

Not printed, being not available.

WPC Order No. R-11014/4/87-LR(Pt.) dated 20.07.1995

To: All concerned, Director (WMO).

Subject: **Royalty charges for the grant of license to establish, maintain and work GSM Cellular Mobile Telephone Service, Microwave point to point and point-to-multi-point network under the provisions of the [Indian Telegraph Act, 1885](#)**

1. In pursuance of powers conferred by Section 4 of Indian Telegraph Act 1885 (13 of 1885), the Central Government hereby prescribes the following rates of royalty charges for grant of license to establish, maintain and provide service for:

- 1.1 GSM cellular mobile telephone service (CMTS)
- 1.2 Fixed radio relay networks and
- 1.3 Point to multi point network

2. The order shall come into force from 20.7.1995.

3. Royalty rates for GSM Cellular Mobile Telephone Service

The royalty shall be charged on the basis of :

- i) Fixed multiplier 'M' (M = 4800)
- ii) No. of RF Channels each of 200 KHz bandwidth represented by 'C'
- iii) Constant Multiplier 'K' (K=8 for GSM Standard)
- iv) Weighting Factor W dependant on the number of subscribers, where W = 1000 for every 1000 subscribers or part thereof.

Then annual royalty $R = M \times C \times K + 1200 \times W$

4. Royalty for microwave links for:
- 4.1 Cellular mobile telephone service (CMTS)
 - 4.2 Fixed radio relay networks
 - 4.3 Point to multi point networks
5. The royalty for Microwave links for CMTS shall be charged on the basis of:
- 5.1 Constant Multiplier 'M' where;

M = 4800 for GSM Standard CMTS Microwave Networks within a City/ Town/ Service Area and point-to-multipoint network:

M = 4800 for point-to-point Microwave Link(s) with end-to-end distance less than or equal to 60 KMs.

M = 9000 for point-to-point Microwave Link(s) with end-to-end distance greater than 60 but less than or equal to 120 KMs.

M = 15000 for point-to-point microwave link(s) with end-to-end distance greater than 120 but less than or equal to 500 KMs.

M = 20000 for point-to-point microwave link(s) with end-to-end distance greater than 500 KMs.
 - 5.2 Weighting factor 'W' which is decided at adjacent channel separation of the R.F. channeling plan, where:

W = 30 for adjacent channel separation up to 2 MHz.

W = 60 for adjacent channel separation greater than 2 MHz but less than or equal to 7 MHz.

W = 120 for adjacent separation greater than 7 MHz but less than or equal to 28 MHz.

W = 0.15 x (Number of equivalent voice channels that can be accommodated within the adjacent channel separation greater than 28 MHz)
 - 5.3 Number of RF channels used (equal to the number of duplex RF channel pairs) represented by 'C'
- Then, **Annual Royalty, R = M x W x C.**
6. Circuits above shall be charged on 24 hr. basis.
7. Royalty for the first year may be charged on quarterly basis, the quarter being January-March, April-June, July-September and October-December.
8. This issues with the concurrence of the Costing Branch vide their U.O. No. 247-R&C/ 90 dated 10.7.1995.
9. Separate order for rates of license fee may be seen.

(S. Venkatasubramaniam)
Assistant Wireless Adviser to Government of India

WPC Order No. R-11014/487-LR dated 20.07.1995

To: All concerned, Director (WMO).

Subject: License Fee for the grant of license to establish, maintain and work GSM Cellular Mobile Telephone Service (CMTS), Microwave point-to-point and point-to-multi point networks under the provisions of the Indian Telegraph Act, 1885

1. In pursuance of the Indian Telegraph Act, 1885, the Central Government hereby prescribes the following rates of license fees for:
2. CMTS mobile links shall be charged license fee on the basis of:
 - 2.1 Number of subscriber stations (handheld/ vehicle held/ mobile/ fixed) and base stations represented by B;
 - 2.2 Fixed Multiplier = 100

Then license fee = 100 x B.
3. Microwave links shall be charged license fee on the basis of:
 - 3.1 Number of fixed stations represented by 'N'
 - 3.2 Fixed multiplier = 1000

Then license fee = 1000 x N

This order shall come into force from 20th July 1995.

This issues with the concurrence of Rates and Costing Branch vide their U.O. No. 247-R&C/ 95 dated 10.7.1995.

Please see separate order in respect of royalty charges for the grant of these licenses.

(S. Venkatasubramaniam)

Assistant Wireless Adviser to Government of India

Copy to: All Concerned

WPC No. R-11014/4/87-LR(Pt) dated 04.11.1997

CORRIGENDUM

Subject: Royalty Charges for grant of License to establish, maintain and work, GSM Cellular Mobile Telephone Service, Microwave Point to Point and Point to Multi Point Networks under the provisions of Indian Telegraph Act, 1885

In pursuance of the powers conferred by Section 4 of the Indian Telegraph Act, 1885 (13 of 1885) and in partial modification to this Ministry's order of even number dated 20th July, 1995, it has now been decided to delete para 3(iv) of the above Order.

1. This order will come into force from 27.8.1997.
2. This issues with the concurrence of Rates & Costing Branch vide their U.O. No.661/DC/24 dated 27.10.1997.
3. All other conditions of the Order of even number dated 20th July, 1995 will remain the same.

(T.K. Varada Krishnan)

Asst. Wireless Adviser to the Govt. of India.

Copy to: All concerned
Rates & Costing branch, DOT

WPC No. J-190161/1/98-SAT dated 14.09.1998

Subject: Royalty Charges for the Grant of License to Establish, Maintain, and Work Satellite Television Broadcasting Facility License Under Indian Telegraph Act, 1885

In pursuance of powers conferred by Section 4 of the Indian Telegraph Act 1885(13 of 1885), the Central Government hereby prescribes the following rates of royalty charges for the grant of licenses to establish, maintain and work satellite television broadcasting facility.

2. The order shall come into force from the date of its issue.
3. Satellite Television Broadcasting (Both FSS and BSS):
For broadcasting of satellite channels in the bands below 4800 MHz. Using analogue FM TV or Digital TV, the royalty charges will be Rs. 35,000/- (Rupees Thirty Five Thousand Only) per year per MHz or part thereof of the frequency spectrum assigned to the Licensee.
4. Royalty for the first year may be charged on quarterly basis as and where applicable, the quarter year being Jan-Mar, April-June, July-Sept. and Oct-Dec. The charges for quarter year will be ¼ of full year royalty.
5. This issues with the concurrence of the Ministry of Communications () vide their U.O. No. 2410/F dated 10.9.1998.
6. The rates of License Fee for the grant of these licenses are applicable as per existing orders.

DOT No. R-11014/4/87-LR(Pt) dated 19.03.1999

CORRIGENDUM

Subject: Royalty Charges for grant of License to establish, maintain and work, GSM Cellular Mobile Telephone Service, Microwave Point to Point and Point to Multi Point Networks under the provisions of Indian Telegraph Act, 1885

In pursuance of the powers conferred by Section 4 of the Indian Telegraph Act, 1885 (13 of 1885) and in partial modification to this Ministry's order of even number dated 4th November, 1997, it has now been decided that para 2 of the above Order be read as:

"This order will come into force from 20.7.1995."

2. All other conditions of the Order of even number dated 20th July, 1995 will remain the same.
3. This issues with the concurrence of Rates & Costing Branch vide their U.O. No.411/DDG/TCF dated 18.3.1999.

(R.B. Prasad)

Asst. Wireless Adviser to the Govt. of India.

Copy to: All concerned.
Rates & Costing branch, DOT.

WPC D.O. No. L-14041/09/99-NTG dated 10.07.2000

From JWA to M/s. Bharti Mobile Telecom, etc.

Your kind attention is invited to my D.O. letter of even number dated 14th June 2000 regarding payments of outstanding WPC charges, for operation of CMTS networks by your company.

2. It may be noted that in this context, the Group on Telecom & IT (GOT-IT) convergence under the Chairmanship of Hon'ble Finance Minister has decided that such operators who are defaulting in the payment of WPC dues may be asked to pay the pending dues, and adjustments if required, may be made subsequently.
3. It may also be point out that interest shall be levied on any outstanding dues not paid in time. Interest at @ 15% shall be charged on such outstanding WPC dues.

**Sd/-
JWA**

WPC No. 14031/07/2000-NTG (Pt.) dated 14.09.2000

Corrigendum

Subject: To Remove WPC charges of Rs. 100/ subscriber/ annum with regard to Radio Paging Services.

In pursuance of the powers conferred by Section 4 of the Indian Telegraph Act, 1885 (13 of 1885) and in partial modification to this Ministry's Order No. R-11014/ 4/ 87-LR dated December 9, 1987, it has now been decided to remove WPC charge of Rs. 100/ subscriber/ annum with regard to Radio Paging Services.

2. The effective date of implementation of the decision to remove WPC charges will be from July 1, 2000.
3. This issues with the concurrence of Finance Advice IV Branch vide their **U.O.** No. 617/ DFIV/ 2000 dated 14.9.2000.

WPC No. L-14027/01/98-NTG dated 18.09.2000

Order

Subject: Royalty and license fee charges for the grant of license to establish, maintain and work Public Mobile Radio Trunked Service (PMRTS) stations under the provisions of the Indian Telegraph Act, 1885.

1. In pursuance of powers conferred by section 4 of the Indian Telegraph Act, 1885 (13 of 1885), the Central

Government hereby prescribes the following rates of royalty and license fee charges for the grant of the license to establish, maintain and work fixed/vehicle mobile/handheld mobile wireless telegraph stations in the Public Mobile Radio Trunked service (PMRTS):-

2. The formula for calculation of royalty and license fee is given below:-

Total fee per year = L + R; where, L = License fee, and R = Royalty.

2.1 Total fee per year is payable in advance for the whole year (year may start in any month in the first year and January, in the subsequent year. For the first year the royalty on pro-rata quarterly year basis is to be paid and license fee is to be paid on annual basis)

2.2 Royalty and license fee will have to be paid annually in advance by 15th January. The number of stations as on 1st January and 1st July shall be certified by the licensee by way of an affidavit. Balance of license fee for additional number of stations based on 1st July and 1st January of the following year should be paid by 15th July and 15th January respectively.

i) L & R for maximum radio link distance between 5 & 60 kms are to be calculated as follows:

L = 100 X n, and

R = 4800 X f

ii) L & R for maximum link distance below 5 kms, R & L will be expressed as:-

L = 100 X n

R = 1200 X f, where,

n = No. of stations (station includes fixed base station, Vehicle mounted mobile or hand held mobile stations)

f = No. of frequency spots used. (This corresponds to f/2 frequency pairs).

3. The order shall come into force from July 20, 1995.

4. This issues with the concurrence of Finance Advice IV Branch, DoT vide their U.O. No. 616/ DF.IV/ 2000 dated 14.09.2000.

(Dr. Ashok Chandra)

Deputy Wireless Adviser to the Government of India

Extract

**DOT O.M No. 34-31/2000-SEA dated 30.01.2001
Addressed to IFAs etc.**

Subject: Functions of DOT Cells

Detailed functions to be performed by the DOT cells was issued vide O.M. No.34-31/ 2000-SEA-I dated 28.9.2000. The functions of DOT cells now stands revised. The revised function of the DOT cells are enclosed in Annexure 'A'. This issues with the approval of Member (Finance).

Director (SEA)

Annexure 'A'

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8. Collection of license fee in the form of revenue sharing from various operators on behalf of the Government: This work will be done by the DoT Cells. Detailed instructions and modalities related to this work will be issued by DDG (LF) DOT separately.

9. Telecom Service Tax collection: To ensure collection of Government dues and crediting of the same in Government account through appropriate heads, the DOT cell will also monitor/ oversee the collection of service tax from the telecom service providers.

10. Wireless Monitoring Organization: The budget, finance and accounting functions of the WMO will be handled in the DOT cells.

11. Spectrum charges: Realization and accounting of revenue in the form of license fee and royalty for use of spectrum will also be handled by DOT cell. Detailed instructions and modalities related to this work will be issued by DDG (WPF) DOT separately.

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WPC No. L-14041/06/2000-NTG dated 22.09.2001

To: All concerned, COAI, Cellular Service Providers

Subject: Royalty and License fee charges towards WPC spectrum usage by CMTS providers

The issue of charging royalty and license fee for cellular mobile telephone service has been reviewed and it has now been decided that the cellular licensees shall pay spectrum charges with effect from 1.8.99, the cut off date of change over to NTP-99 regime, on revenue share basis of 2% Adjusted Gross Revenue (AGR) towards WPC charges covering royalty payment for the use of cellular spectrum up to 4.4 MHz + 4.4 MHz and license fee for cellular mobile handsets and cellular mobile base

stations and also for possession of wireless telegraphy equipment as per the details prescribed by Wireless Planning and Coordination Wing (WPC). Any additional bandwidth if allotted subject to availability and justification shall attract additional royalty and license fee as revenue share (typically 1% additional revenue share if bandwidth allocated is up to 6.2 MHz + 6.2 MHz in place of 4.4 MHz + 4.4. MHz).

2. Further, royalty and license fee for the use of spectrum for point to point links and access links (other than cellular service spectrum) shall be separately payable as per the details and prescription of Wireless Planning and Coordination Wing. The fee/ royalty for the use of spectrum/ possession of wireless telegraphy equipment depends upon various factors such as frequency, hop and link length, area of operation, etc. Authorization of frequencies for setting up microwave links by cellular operators and issue of licenses shall be separately dealt with by WPC Wing as per existing rules.

3. The above spectrum charge is subject to review by WPC Wing from time to time.

(Sukhpal Singh)
Asstt. Wireless Adviser to the GOI

WPC No. L-14041/06/2000-NTG dated 01.02.2002

To: All concerned, COAI and CMTS Operators

Subject: Allocation of additional Cellular Radio Frequency Spectrum to the Cellular Mobile Telephone Service (CMTS) Providers

In order to meet the requirements of growth of subscribers, it has been decided to assign additional spectrum up to 1.8 MHz + 1.8 MHz to the CMTS operators. Any operator may apply for allotment of additional spectrum after reaching a customer base of 4 lakh or more under a license in a service area, after which the process of allotment would be initiated; however, actual assignment of the spectrum would be made, subject to availability and coordination on case to case basis, after a customer base of 5 lakh or more has been reached in the service area. This additional assignment will be beyond already allocated spectrum of 6.2 MHz + 6.2 MHz. The additional spectrum of 1.8 MHz + 1.8 MHz would be assigned in 1800 MHz Band.

2. The cellular licensees are to pay spectrum charge with effect from 1.8.99 on revenue share basis at the rate of 2% of Adjusted Gross Revenue (AGR) for spectrum up to 4.4 MHz + 4.4 MHz and 3% of AGR for spectrum up to 6.2 MHz + 6.2 MHz.

3. Further, for this additional spectrum of 1.8 Mhz + 1.8 Mhz, if assigned for any one or more places in a Service Area, beyond 6.2 MHz + 6.2 MHz, an additional charge of 1% of AGR will be levied. Thus, the total spectrum charge to be paid by such operators would be 4% of AGR from the service in the respective service area. This spectrum charge of 4% of AGR would also cover allocation of further spectrum, which may become possible to allocate in future subject to availability, to add up to a total spectrum allocation not exceeding 10 MHz + 10 MHz per operator in a Service Area. Such additional allocation could be considered only after a suitable subscriber base, as may be prescribed, is reached.

4. This order is issued in partial modification to the order of even number dated 22nd September 2001; other terms and conditions of the said order shall remain unchanged.

(RK Srivastava)
Engineer

DOT No. L-14047/07/2002-NTG dated 26.03.2002

Subject: Payment of WPC spectrum charges by Cellular Mobile Telecom Service Providers (CMTS)

As per existing arrangement, the amount of spectrum charges is required to be paid annually in advance on calendar year basis. Consequent upon switching over to the payment of spectrum charges on Revenue Share basis, following decisions have been taken by the Competent Authority in regard to Payment of WPC spectrum charges by telecom service providers including Cellular Mobile Telephone Service (CMTS) providers:

- A) The spectrum charges shall henceforth be payable on a quarterly basis in advance i.e., within 15 days of the commencement of the (sic) each quarter beginning from April 2002;
- B) Penal interest shall be levied as per the existing practice and procedure in vogue for delayed receipt of payments as applicable and on the same terms and conditions contained under main DOT License Agreement; and
- C) Financial settlement/ accounting of spectrum charges based on audited AGRs (subject to physical verification) shall now be undertaken on financial year basis on the same lines, and procedures/ terms and conditions as for the main DOT License Agreement.

In so far as spectrum charges for Microwave access and backbone networks are concerned, the same shall continue to be levied as per the existing Government of India order. However, the same can also be paid on quarterly basis in advance along with the payments of cellular GSM and other charges as indicated in Para 1 above; failing otherwise the same shall also attract penal interest on the same lines and terms and conditions of the main DOT license agreement as indicated above.

3. Accordingly, the cellular service providers are requested to submit actual AGRs figures for the period 1.8.1999 to 31.12.2001 and the estimated AGR figures for the current quarter (1.1.02 to 31.3.02) immediately. The service providers should make payment of the spectrum charges for the quarter 1.1.02 to 31.3.02 immediately and the balance for the period 1.8.99 to 31.3.02, based on the difference between provisional and actual AGRs.

4. Outstanding dues (if any) for the period prior to 01.08.1999 based on the Government of India orders dated 20.07.1995 are also to be settled separately by 15th April 2002 positively, failing which these will invoke penal interest at the same rate as stipulated in terms and conditions of the revised DOT License Agreement.

(K.R. Mahendra Kumar)

Assistant Wireless Adviser to the Government of India

Copy to

:

1. The Director General, COAI, New Delhi. This refers to their letter No.TVR/COAI/075A dated 6th March, 2002, requesting inter-alia that WPC spectrum charges for usage of frequencies for CMTS and other networks be payable on quarterly basis and on the same lines/ terms & conditions as applicable under the main DOT License Agreement.

2. All Service Providers with a request that payments should be made as per the deadlines mentioned above through D/D or Pay Order drawn in favor of Pay & Accounts Officer (HQ), DOT payable at New Delhi so as to save the penal interest on the same terms and conditions as in vogue for the main DOT License Agreement.

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7. DDG (LF) DOT. For kind information with a request that as and when service providers furnish AGR figures, a copy of the same may kindly be given to WPC.

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WPC No. L-14025/01/2001-NT dated 03.04.2002

Copy to: ABTO, All BTS Providers...

Subject: Payment of WPC spectrum charges by Basic Telephone Service Providers

As per existing arrangement, the amount of spectrum charges is required to be paid annually in advance on calendar year basis. Consequent upon switching over to the payment of spectrum charges for WLL Services on Revenue Share Basis following decisions have been taken by the competent authority in regard to mode of payment of WPC spectrum charges by telecom service providers including Basic telephone service providers;

- A. The spectrum charges shall henceforth be payable on a quarterly basis in advance, i e; within 15 days of the commencement of the each quarter beginning from April 2002;
- B. Penal interest shall be levied as per the existing practice and procedure in vogue for delayed receipt of payments as applicable and on the same terms and conditions contained under main DOT License Agreement; and
- C. Financial settlement/ accounting of spectrum charges based on Audited AGRs (subject to physical verification) shall now be undertaken on financial year basis on the same lines and procedures/ terms and conditions as for the main DOT License Agreement.

2. In so far as spectrum charges for Microwave access and backbone networks are concerned, the same shall continue to be levied/ calculated as per the existing Government of India Orders. However, the same can also be paid on quarterly basis in advance along with the payments of 2% of AGR earned from WLL subscribers and other charges, as indicated in para 1 above, failing otherwise the same shall also attract penal interest on the same lines and terms and conditions of the main DOT License Agreement as indicated above.

3. Accordingly, the Basic Telephone Service Providers are requested to submit actual AGR's figures for the period 25.1.2001 to 31.3.2002 and estimated AGR figures for the current quarter (1.4.2002 to 30.6.2002) immediately. The service providers should make payment of the spectrum charges for the quarter 01.4.2002 to 30.6.2002 immediately and also for the period 25.1.2001 to 31.3.2002 based on the difference between provisional and actual AGR's positively by 15th of April '02 to avoid penalty of interest as clarified above.

4. Similarly, outstanding dues (if any) for the period prior to 25.1.2001 based on the Government of India orders dated

20.7.1995 are also to be settled separately by the 15th April 2002 positively, failing which these will invoke penal interest at the same rate as stipulated in terms and conditions of the revised DOT License Agreement.

(Sukhpal Singh)

Assistant Wireless Adviser to Government of India

WPC No. L-14047/01/2002-NTG, dated 18.04.2002
To: COAI (w.r.t. their No. TVR/COAI/013 dated 16.1.2002)
and all Cellular Operators including BSNL and MTNL.

Subject: Spectrum charges for MW access and backbone networks of cellular networks

This is in continuation to the Government of India Order Nos. L-14041/06/2000-NTG dated 22.9.2001 and 1st February 2002 specifying spectrum charges for GSM frequencies in 900/ 1800 MHz band.

2. Assignment of frequencies for MW access and MW backbone networks for cellular operations, would continue to be considered on the basis of full justification of the requirements and availability of the spectrum, on case-to-case and link-to-link basis, after taking into consideration the interest of the other users with a view to ensuring electromagnetic compatibility etc. The complete technical analysis and all related aspects of frequency assignments, including efficient use of spectrum, will apply before assigning frequencies for various MW access backbone links. There will be no obligation on the part of the Government to assign frequencies for such purposes. Migration to revenue sharing concept is basically to simplify the system for charging of spectrum and in no way it should be linked to the grant of frequency spectrum.

3. Subject to the above conditions, the spectrum charges for microwave access networks (normally in the frequency band 10 GHz and beyond) would be as given below.

- For spectrum bandwidth up to 112 MHz in any of the circles, or 224 MHz in any of the 4 metros, spectrum charges shall be levied @ 0.25% of AGR per annum; and
- For every additional 28 MHz or part thereof (if justified and assigned) in circles or 56 MHz or part thereof in any of 4 metros areas, additional spectrum charges shall be levied @ 0.05% of AGR per annum

3.1. These will include the royalty charges for spectrum usages and license fee for the fixed stations in the MW access links.

4. Further, the spectrum charges for MW backbone networks to provide connectivity in the circle including spur routes, (generally below 10 GHz frequency band) would be as given below.

- for spectrum bandwidth up to 56 MHz, spectrum charges shall be levied @ 0.10% of AGR per annum; and
- for every additional 28 MHz or part thereof (if justified and assigned), additional spectrum charges shall be levied @ 0.05% of AGR per annum.

4.1. These will include royalty charges for spectrum usages and license fee for the fixed stations in the MW backbone links.

5. The assignments of MW access and backbone frequencies shall not be exclusive for any service provider and will be shared with other services/ users.

6. In addition, the charges for GSM spectrum (900/ 1800 MHz band) will continue to be levied in accordance with Government of India order No. L-14041/06/2000-NTG dated 22.9.2001 and 01.02.2002.

7. The above package, of spectrum charging on percentage revenue share will be available to the cellular operators on the premise that it is accepted in its entirety and simultaneously all legal proceedings, with regard to spectrum charging, instituted by them or COAI against the Government in Courts and Tribunals (TDSAT) etc shall be withdrawn. The cellular operators without prejudice should make payments of all outstanding dues of spectrum charges in accordance with the applicable Government of India orders within a month from the date of issue of this order.

8. This Order will come into force from the date of issue.

9. Acceptance of the above shall be communicated to this Ministry within seven days from the date of issue of this Order.

(K.R. Mahendra Kumar)

Assistant Wireless Adviser to the Government of India

WPC No. R-11014/26/2002-LR dated 01.04.2003

CORRIGENDUM

Subject: **Royalty charges for the grant of license to establish, maintain and work terrestrial Microwave Point-to-point and point-to-multi-point networks under the provisions of the Indian Telegraph Act, 1885**

In pursuance of the powers conferred by Section 4 of the Indian Telegraph Act, 1885 (13 of 1885) and in partial modification to this Ministry's order No. R-11014/4/87-LR (Pt.) dated 20th July 1995, it has now been decided that Para 4 and Para 5 of the above order be read as:

1. (Para 4) Royalty for all kind of terrestrial Microwave Links for
 - 4.1 Fixed Microwave Radio Relay Networks
 - 4.2 Point to Multi-point Networks.
2. (Para 5) The royalty for all kind of terrestrial Microwave Links shall be charged on the basis of:
 - 5.1 Constant Multiplier M, where:
 - M = 1200 for point to point Microwave Link(s) with end-to-end distance less than or equal to 05 Kms.
 - M = 2400 for point to point Microwave Link(s) with end-to-end distance greater than 05 Kms but less than or equal to 25 Kms.
 - M = 4800 for point to point Microwave Link(s) with end-to-end distance greater than 25 Kms but less than or equal to 60 Kms.
 - M = 9000 for point to point Microwave Link(s) with end-to-end distance greater than 60 Kms but less than or equal to 120 Kms.
 - M = 15000 for point to point Microwave Link(s) with end-to-end distance greater than 120 Kms but less than or equal to 500 Kms.
 - M = 20000 for point to point Microwave Link(s) with end-to-end distance greater than 500 Kms.
 - 5.2 Weighting Factor 'W' which is decided by the adjacent channel separation of the R.F. channeling plan deployed where:
 - W = 30 for adjacent channel separation up to 2 MHz.
 - W = 60 for adjacent channel separation greater than 2 MHz, but less than or equal to 7 MHz.
 - W = 120 for adjacent channel separation greater than 7 MHz, but less than or equal to 28 MHz.
 - W = (120) + (30 for each additional 7 MHz bandwidth or part thereof) for adjacent channel separation greater than 28 MHz.
 - 5.3 Number of RF channels used (equal to twice the number of duplex RF Channel pairs) represented by 'C',
Then, Annual Royalty, R = M x W x C
3. The order shall come into force from the date of issue.
4. These issue with the concurrence of Wireless Finance Branch vide their Dy. No. WPF/139/03 dated 26.3.2003.
5. All other conditions of the order no. R-11014/ 4/ 87-LR (Pt.) dated 20th July 2995, as amended from time to time, will remain the same.

(Ashok Kumar)
JWA to Government of India

WPC Order No. R-11014/9/2001-LR dated 16.04.2003

To all Captive/ Commercial-VSAT Service Providers, and VSAT Service Providers' Association

ORDER

Subject: **WPC spectrum charges (Royalty and License Fee) for Commercial/ Captive VSAT Networks – Change over to Revenue Share**

The issue regarding the payment of WPC spectrum charges (Royalty and License fee) for commercial and captive VSAT networks has been reviewed and the following has been decided by the competent authority:-

1. Commercial VSAT networks:

- 1.1 WPC spectrum charges under the Revenue Share Regime shall come into force from the quarter beginning 01st

January 2003 and shall be as under:-

Range of Data Rate	Revised WPC Spectrum Charges
Up to 128 KBPS	3.0 % of AGR
Higher than 128 KBPS and up to 512 KBPS	3.5 % of AGR
Higher than 512 KBPS and up to 2 MBPS	4.0 % of AGR

Notes:

- A) The percentage of revenue share as WPC spectrum charges indicated above comprises (sic) both royalty and license fee;
- B) The highest data rate of any VSAT in the network shall be the deciding factor for the percentage revenue share towards the spectrum charges.

1.2. Adjusted Gross Revenue (AGR) for the purpose of levying WPC spectrum charges shall be same as specified under the main DOT License Agreement.

1.3. Payment of WPC spectrum charges shall be on advance quarter basis and payable within 15 days of the commencement of the respective quarter, failing otherwise the same shall invoke (sic) penal interest as per the procedure in vogue in the main DOT License.

1.4. Penal interest shall be levied as per existing norms, procedure, terms and conditions in vogue for delayed/ non-payments for main DOT License Agreement.

1.5. Financial settlement/ accounting of spectrum charges based on Estimated/ Actual/ Audited AGRs (subject to physical verification) shall be undertaken on quarterly/ financial year basis on the same line/ procedure and term and conditions as applicable in main DOT license agreement.

1.6. Estimated/ Actual AGRs duly authenticated by the authorized signatory have to be submitted at the time of making quarterly payments.

1.7. All dues up to 31st December 2002 shall be settled on the basis of the then existing formulae.

2. Captive VSAT Networks:-

The issue of WPC spectrum charges for captive networks has also been reviewed and it has been decided to maintain *status quo*, while allowing data rate up to 512 KBPS, as there is no concept of revenue share in captive VSAT networks.

3. These orders come into force from the quarter commencing 01st January 2003.

4. This issues with concurrence of Wireless Finance branch of WPC Wing vide their U.O. No. 323/ WPF/ 03 dated 10.4.2003.

(Ashok Kumar)
JWA to Government of India

Note: Emphasis supplied. Collection of revenue for Captive-VSATs continues to be handled by WPC as of September 2007.

DOT No. R-11014/26/2002-LR dated 06.05.2003

Subject: Royalty Charges for the Grant of License to Establish, Maintain and Work Fixed/ Land/ Land Mobile (Wireless) Station under the Provisions of the Indian Telegraph Act, 1885

In pursuance of the powers conferred by Section 4 of the Indian Telegraph Act, 1885 (13 of 1885) and in partial modification to this Ministry's order No. R-11014/4/87-LR dated 9th December 1987, it has now been decided that Para 3, Para 4 and Para 5 of the above said order be revised as follows:

A. Para - 3, The royalty shall be charged on the basis of maximum distance or the largest diameter of the area over which the network would operate and shall be categorized as below:

Circuit Category	Distance
Category – I	Distance up to 5 Kms
Category – II	Distance above 5 kms, but up to 25 Kms

Category – III	Distance above 25 kms, but up to 60 Kms
Category – IV	Distance above 60 kms, but up to 120 Kms
Category – V	Distance above 120 kms, but up to 500 Kms
Category – VI	Distance above 500 kms

B. Para - 4, Circuits under category I, II, III & IV shall be charged on 24 Hrs basis. The circuits under Category V and VI may be charged on two-time blocks i.e. 12 hours and 24 hours (day/ night). The royalty for 12 hours block shall be 2/3rd rate of 24 hours block.

C. Para - 8, Summary of Royalty Rates

(a)

Circuit Category	Annual Royalty Charges	
	24 hours	12 hours
Category – I	Rs.1200/-	---
Category – II	Rs.2400/-	---
Category – III	Rs.4800/-	---
Category – IV	Rs.9000/-	---
Category – V	Rs.15000/-	Rs.10000/-
Category – VI	Rs.20000/-	Rs.13500/-

(b) For every additional station in the circuit, over and above the basic 2 stations per frequency the royalty charges would be as follows:

Circuit Category	Annual Royalty Charges	
	24 hours	12 hours
Category – I	Rs.300/-	---
Category – II	Rs.600/-	---
Category – III	Rs.1200/-	---
Category – IV	Rs.2200/-	---
Category – V	Rs.3700/-	Rs.2500/-
Category – VI	Rs.5000/-	Rs.3300/-

Note: The license may be issued/ renewed for a period of 2 years at a time, if otherwise not required for shorter period.

D. The above orders shall come into force from 1.4.2003.

E. This issues with the concurrence of WFD vide their Dy. No.400/03-WPF dated 2.5.2003.

F. All other conditions of the order No. R-11014/4/87-LR dated 9 December 1987 remain unchanged.

DOT No. K-16011/6/2002-CFA dated 28.05.2003

It has been decided that a sum of Rs. 1000/- (Rupees One Thousand only) will be payable per ID as earnest money towards filing of siting applications for fixed stations in respect of all categories of sites.

These charges are payable through Demand Draft drawn from any Branch of Bank of India in favour of "Pay and Accounts Officer (HQ), Department of Telecommunications, New Delhi" and payable at State Bank of India. Main Branch, New Delhi (code: 0691) or Service Branch, New Delhi (code: 7687).

This amount will be adjusted against the WPC spectrum charges/ license fee subsequently in respect of sites, which are commissioned within one year from the date of issue of the site clearance letter. The earnest money in respect of sites, which are not commissioned within the stipulated period, would be forfeited.

2. This charge will be effective from 1st July, 2003.

WPC Order dated 07.07.2003

All the applicants submitting the applications for I.D. Nos. are hereby informed that the Bank Draft should be obtained from State Bank of India only. It should be in the Name of "Pay and Accounts Officer (Headquarters) Department of Telecommunications" payable at Service Branch Code No. 7687, OR

"PAO (HQ) DOT" Payable at Service Branch Code No. 7687.

WPC No. L-14047/06/2004-NTG, dated 15.04.2004

Subject: Charges for spectrum beyond 10 MHz for mobile services

This is in continuation to this Ministry's Order No.L-14041/06/2000-NTG dated 01-02-2002, specifying charges for GSM spectrum up to 10 MHz, in 900/1800 MHz band.

2.0 The charges for spectrum beyond 10 MHz for Mobile services in 900, 1800 MHz band or any other band, would be as given below:

2.1. For additional spectrum of 2.5 MHz or part thereof, beyond 10 MHz, if assigned (GSM/ CDMA/ CorDECT based) in Metro/ other telecom circles, an additional charge of 1% of AGR will be levied. Thus the total spectrum charges to be paid by such operators would be 5% of AGR earned from wireless access subscribers.

2.2. Further additional spectrum of 2.5 MHz or part thereof, beyond 12.5 MHz, if assigned (GSM or CDMA/ CorDECT based) in Metro/ other telecom circles, an additional charge of 1% of AGR will be levied. Thus the total spectrum charges to be paid by such operators would be 6% of AGR earned from wireless access subscribers.

3. The order shall come into force with immediate effect.

4. The above spectrum charge is subject to review by WPC Wing from time to time.

(Sukhpal Singh)

Assistant Wireless Adviser to Government of India

Copy to:

1. All concerned
2. DDG (WPF). This may kindly be conveyed to CCAs in different telecom circles.
3. Cellular Mobile Telecom Service Providers & Unified Access Service providers.
4. Cellular Operators Association of India (COAI)
5. Association of Basic Telecom Operators (ABTO)

WPC No. J-14025/200(3)/04-NT dated 21.04.2004

Subject: Spectrum Charges for the CDMA and CorDECT based Networks

In pursuance of powers conferred by Section 4 of the Indian Telegraph Act, 1885 (13 of 1885), the Central Government hereby prescribes the following rates of spectrum charges for the CDMA and CorDECT based networks for the grant of license to establish, maintain and work wireless station and to provide the service.

2. The spectrum charges for CDMA & CorDECT based network shall be as below:

2.1	Spectrum up to 5 + 5 MHz	2% of AGR earned from wireless access subscribers, as per existing orders effective from 25.01.2001.
2.2	Spectrum beyond 5 + 5 MHz and up to 6.25 + 6.25 MHz	3% of AGR
2.3	Spectrum beyond 6.25 + 6.25 MHz and up to 10 + 10 MHz	4% of AGR

3. The rate of spectrum charges given in paragraphs 2.2 and 2.3 above for spectrum beyond 5 + 5 MHz and up to 10 + 10 MHz shall come into force with immediate effect.

4. The spectrum charges will be for complete service area (not city wise) for wireless access system and will include royalty for the spectrum as well as license fee for base stations and subscriber's terminal.

5. The royalty and license fee for the use of spectrum for point-to-point links and point-to-multi-point links shall be payable separately as per the existing orders.

6. The above spectrum charge is subject to review by WPC Wing from time to time.

7. This issues with the concurrence of WPF Branch Dy. No. 293/ WFD/ 04 dated 19.4.2004.

(Sukhpal Singh)

Assistant Wireless Adviser to Government of India

WPC U.O Note dated 25.08.2004

From Assistant Wireless Adviser, WPC to DDG (BS), DOT

Subject: Charging of License fee

Kindly refer to your Note No. 17-12/95-BS-II (Vol. IV) dated 11.08.2004 on the above subject. The spectrum charges are levied for minimum of a quarter year. In case any wireless network or link is closed in the middle of a year, charges up to the end of the relevant quarter are levied and the balance can be adjusted against the charges for rest of the network/ link or any other network link. The same procedure applies to microwave systems also.

2. It may be noted that License fee for the microwave stations is charged for the full year, not on quarter basis.

(Sukhpal Singh)

Assistant Wireless Adviser to Government of India

Extract**File No. WFD-1000/Spectrum-Ch/Bharti/2004****23/N**

A meeting was held under the Chairmanship of Member (F) on 17.03.2005 at 5.00 P.M., where Wireless Adviser, DDG (WPF) and DDG (LF) were also present. The issue of **spectrum charging on account of Microwave Access and Microwave Backbone** usages by the service providers was discussed and accordingly the reply to be given to M/s. Bharti vide para 3(i) and 3(ii) is as under:

Para 3(i): The contention of M/s Bharti regarding charging of Microwave Access and Microwave Backbone was examined. The submission made by them that the charging should be levied from the date of actual allocation and not from the date of earmarking is not acceptable. The charging of Microwave Access and Microwave Backbone would be levied from the date of spectrum earmarking.

Para 3(ii): The issue raised by M/s Bharti regarding accounting of both 7 MHz and 28 MHz bandwidth for Microwave Access and Microwave Backbone network where the same frequency was allocated for either one of them, was examined. The objection/ contention made by M/s Bharti, has been duly considered and, their submission that the total spectrum bandwidth should be calculated on larger bandwidth assigned/ earmarked (if both bandwidths have been earmarked on same frequency for different links in the service area) is acceptable. Accordingly the computation of dues has been revised.

The case is submitted please.

(D. Jha)

17.3.05

AWA(V)

DWA (V)

Sd/-

18.3.05

JWA (N)

(R.J.S. Kushwaha)

18.3.05

W.A.

(P.K. Garg)

18.3.05

DDG (WPF) –on leave

Dir (WFD)

DOT No. R-11014/29/2004-LR/2447 dated 23.03.2005**Subject: Payment of License Fee for the Grant of Wireless Telegraph Station License, Fees for Surcharge for Late Renewal of Licenses etc.**

In supersession of this Ministry's order No. R-11014/4/87-LR dated 9 December, 1987, and in pursuance of the Indian Telegraph Act, 1885 (13 of 1885), the Central Government hereby prescribes the following rates of (a) license fees for the grant and renewal of various categories of licensees and (b) surcharge for late renewal of licenses:

I. License fee:

Sl. No.	Type of License	Revised fee Rupees per annum	Remarks
1.	Fixed/ Land Station	500	Per station
2.	Land Mobile Station	250	Per station
3.	Captive Paging (for Hub)	2000	(no royalty)
4.	Import License	500	Per Import license
5.	Maritime Mobile Station (Fishing Trawlers)	500	Per trawler
6.	Maritime Mobile Station (Ships)	5000	Per ship
7.	Aeromobile Station License	5000	Per aircraft
8.	USR (Short Range)	250	Per station

Note: 1. The license fee for 'Stand-by' set(s) shall also be charged at the above rates.

2. These licenses shall be issued / renewed for a period of 2 years at a time, if otherwise not required for a shorter period.

II. Duplicate copy of license/ schedules/ renewal certificate for issuance of:

Sl. No.	Type of License	Revised fee Rupees per annum
1.	Duplicate copy of license and/ or license schedule	500
2.	Duplicate copy of renewal certificate	250

III. Surcharge for late renewal of wireless telegraph station licenses:

Surcharge/ Late fee for delayed renewal of various licenses @ 2% (of the total fee payable i.e. license fee plus Royalty charges) per month or part there of, subject to a minimum of Rs.250/- per license. In case of delay of more than one year, the late fee would be compounded annually.

IV. These orders shall come into force from 1st April, 2005. However, in cases where the licenses had already been issued/ renewed for a period falling beyond 31st March 2005, it shall be effective from the date of their next renewal.

V. The revised rates have been fixed with the concurrence of the Wireless Finance Division vide their U.O. No.143/D(F-WPF)/05 dated 23rd March, 2005.

VI. There is no charge in respect of rates of royalty/ spectrum charges for the grant of these licenses, which would continue to be required as per Order No. R-11014/26/2002-LR dated 6.5.2003.

Extract**File No.1000-58/2005-06 WPF**

Subject: **Computation of AGR of CDMA operators for calculation of spectrum charges.**

From April 2005 the WPF section has been assigned the complete work relating to calculation, accounting and realization of CDMA spectrum charges. Prior to this, the work was with the WPC wing and the work relating to collection and remitting of the same to the PAO HQ was assigned to the WPF wing w.e.f. October 2002.

For taking up this work the required data from WPC regarding allotment of spectrum, microwave access, dues of WPC period is being obtained by our section. The audited AGR for the year up to 2004 for some circles have also been obtained by now.

A. Arriving at the CDMA AGR for spectrum charges purpose (proposed calculation model)

As per the definition* of the AGR at item 18.3.1 under item 18.3 Radio Spectrum Charges it is mentioned that:

"the licensee shall pay spectrum charges in addition to the license fees on revenue share basis as notified separately from time to time by the WPC wing. However, while calculating 'AGR' for the limited purpose of levying spectrum charges based on revenue share, revenue from wireline subscribers shall not be taken into account".

It is seen from the finalized AGR statement that there is a need to recalculate the AGR arrived at by the LF section as the finalized AGR of LF includes revenue for services other than CDMA and thus includes the *wireline* revenue which has to be

deducted.

Therefore, to arrive at the final CDMA-related AGR for spectrum charges purpose, if agreed, we may follow the following procedure:-

Stage 1:

AGR as finalized by LF	=	A
Less wireline revenue	=	B
Arrive at A (minus) B	=	C = [A – B]

Stage 2.

Then Add the following components pertaining to wireline subscribers to C **.

1. the pass through charges
2. service tax
3. sales tax

Thus arrive at AGR for the CDMA purpose.

** It is pertinent to mention here that Stage 2 computation will depend on the individual account as treated by the LF section. For example, in cases where the stage 2 calculation has already been reflected in the AGR statement by LF we need not carry out the same calculation. One such example is placed below where for AP Circle the service tax has been added to the revenue and the exact figure has been deducted in the item No. B 2 (page 4/5) for arriving at the AGR. Thus here while calculating the AGR for spectrum charges we will not be required to carry out any calculation as regards service tax. The other addition of stage 2 that is regarding pass through charges and sales tax pertaining to wireline has to be done by WPF.

In absence of specific/ exact figures, wherever required the proportionate amount of pass through charges, service tax, sales tax will be arrived for wireline for carrying out calculation of stage 2 as mentioned above.

To summarize: The stage 1 calculation will invariably be done in all cases. Stage 2 calculations will depend on the treatment given by the LF section for these three items relating to wireline.

B. Reckoning for the initial date for royalty and license fee for microwave access and backbone.

i) It is mentioned that it was decided that calculation of the royalty and fee for MW Access and Backbone is to be done taking the date of earmarking into consideration. This decision regarding date i.e. the date of earmarking was taken after detailed discussion in the file No. WFD-1000/ spectrum-ch/ Bharti/ 2004 at NS 21-23. The same procedure is proposed in the CDMA also for charging purpose.

ii) It is pertinent to mention here that the initial quarter in which the spectrum was allocated, charging for MW Access and Backbone is being done from the beginning of the quarter in which the date of earmarking falls. This is being done as per the order No. R-11014/4/87-LR dated 20th July 1995 in case of radio spectrum charging, it is followed from the date of earmarking only without advancing it to the beginning of the quarter. Advancing of the initial charging to the beginning of the quarter for CDMA Microwave Access and Backbone is being proposed because these are governed by separate orders based on formulae rather than percentage charging on AGR

The case is submitted for kind approval of the proposed calculation method of AGR and the method of charging of the royalty and fee for MW & Backbone as proposed above in A and B. Submitted please.

(S. Kujur)

Dir (R-WPF); 13.9.05

DDG (WPF)

The method of AGR finalization for CDMA operators as suggested at 'A' of 2/N ante for approval please. This is for the first time AGR of CDMA operators is being finalized after the work was taken over from WPC.

On the instant case as mentioned at 'X' of 2/N ante [underlined portion of 'A'] for which detailed calculations have been done at 4/C (F/AA), we need not add sales tax portion to the AGR since there is no sales tax added to wireline revenue as finalized by LF at 2-A/C.

The suggestion at para 'B' of 2/N ante to charge microwave backbone and Access from the date of earmarking and by advancing it to the beginning of the quarter (in cases spectrum is allotted in between quarter) can be also considered.

Submitted please before the AGRs of CDMA operators are finalized on the above approach.

(A.C. Padhi)

DDG WPF; 14.9.05

Adv.(F)

(S.A. Tirmizi)

Member (F)

Adv.(F); 21.9.05

(A.K. Sawhney)
Member (F); 21.9.05* *Editor's note: It refers to the UASL Agreement.***DOT No. 6-42/2005/TA-I dated 14.02.2006****Subject: Schedule of Payment of License Fees/ Spectrum Charges by Telecom Operators (Remittances to RBI/ SBI by CCAs/ PAO(HQ))**

It has come to the notice of this office that the instruments for paying License fee and spectrum charges by Telecom operators which are received on Friday/ last working day of the week are being deposited on Monday. It has now been decided that all such instruments received on Friday or where the next day following the due date happens to be a non working day/ Saturday, the concerned should ensure that the instruments are remitted to RBI/ SBI by Saturday itself. This is to be done by calling the necessary staff to office. Furthermore, the credit of the instruments remitted is also to be followed up with RBI/ SBI to ensure that there is no undue delay by the bank in crediting them to the Government Account.

This issues with the approval of Member (F).

Extract**DOT No. 15-10/2006/LF, dated 20.03.2006****Subject: System for receipt of License Fee and Spectrum Charges in the Department of Telecom Head-quarters and the Controller of Communication Accounts Offices**

1.Spectrum Charges from commercial Telecom Service Providerswere being received directly by the Department of Telecom, Head Quarters. Subsequently, the collection of these statutory levies was decentralized in respect of Access Service Providers to the Controller of Communication Accounts. Following decentralization of collection ofspectrum charges from BSNL, CCA Delhi has [also] started collecting L. Fee for NLD service of BSNL.
2. Payments made in DoT Headquarters are received by the concerned branches (LF/WPF) which deposit the sums (received through DDs etc. drawn in favour of PAO, HQs to PAO, HQs and an acknowledgment of the payment is given to the Licensee on their forwarding documents. A receipt isissued ... [in] ACG-67 proforma, upon receipt of these sums by the CCA officer.
3. This process of receiving a payment and issuing an acceptance is being revised The new system shall become effective from April 1 2006.
4. A system of challans is being introduceduniformlyin DoT Head Quarters, as also CCA offices for receiving payments from various telecom service providers. The proforma of the challan, which has to be in triplicate, is annexed to this memorandum. The challan form can be downloaded from..... www.dot.gov.in and shall be used for making payments foralso Spectrum Charges.
5. The following steps are to be followed for making payment ofSpectrum Charges:-
 - a. The Licensee should download this form from DoT website[for] amount[s] ...payable by them (both quarterly dues as also dues arising upon annual assessment
 - b. The relevant particulars of the payments describing the purpose of payment as also the details of the instrument must be recorded in the challan form which shall be in triplicate.
 - c. The documents relevant to the payment and as applicable shall be captioned at the space provided at the end of the challan form.
 - d. The Licensee should approach the concerned branch in DoT Head Quarter or the CCA office, as the case may be, who shall record the Head of Account for the payment and upon receipt of the documents mentioned in the challan shall record an acknowledgment thereto.
 - e. Thereafter the ...Licensee shall go to the ...cash branch of the office (PAO for DoT Head Quarters and Communication Accounts Officer (Cash) for the CCA offices) together with the instrument (DD/Banker's cheque) to be deposited.
 - f. The ...officer, who receives the payments, shall verify the entriesin the challan with reference to the underlying instrument and thereafter receive the payment. As an acknowledgment one copy of the challan shall be returned
 - g. At the time of receiving the payment theofficer shall record a serial number on the challan form (in all the three copies) and thisnumber shall be a running ...number. The Sl. No. shall be of six digits with the first

Pursuant to the above decision the WPC wing decided in July 2000 and wrote to all cellular operators (one such copy of letter placed below) that "interest shall be levied on any outstanding dues not paid in time and interest @ 15% shall be charged on such outstanding dues."

C. The main cellular license agreement signed in 2001 also has the relevant clause (21.5) for charging of the interest.

"21.5. 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 5% above the Prime Lending Rate (PLR) of State Bank of India prevalent on the day the payment became due. The interest shall be compounded monthly and a part of the month shall be reckoned as a full month for the purpose of calculation of interest."

Similar clause is also there in the Basic License Agreement signed in Oct. 2001. Thus it is clear that the interest/ penalty were applicable for overdue payments from the period much before than Apr. 2002 as contended by WPC at 2nd Para of the N/1.

D. It is therefore submitted that:-

1. The interest/ penalty need to be computed and enforced (by raising demand notes themselves/ or by intimating the amount so calculated to the WPF) by the WPC Wing from the defaulting licensees vis-à-vis those making the payment of Government dues in time. They may also be asked to recast the opening balances (as on 31.12.2001 for GSM operators and as on 31.03.2005 for CDMA operators) and hand over the same to the WPF Branch.

2. The terms of interest and penalty would normally be those appearing in the licenses issued for service/ spectrum. In case of any missing link/ gap, the matter can be examined with reference to the Legal Adviser thereon.

Submitted, please.

(S. Kujur)

Dir (R-WPF)/ 23.03.06

DDG (WPF)

Submitted for consideration of D1 and D 2 above.

(H.P. Mishra)

DDG (WPF)/ 23.3.06

Adv.(F)

(S.A. Tirmizi)

Adv. (F)/ 24.03.06

Member (Finance)

In view of the findings made based on the sample documents and reading of the different/ relevant clauses of licenses, the charges for interest and penalty look imminent in cases of default or delayed payments. Hence, D-1 & D-2 appears to be in order and ought to be implemented at the earliest.

(A.K. Sawhney)

Member (F)/ 27.3.06.

DOT No. 1-27/2006-LF dated 30.05.2006

To all Telecom Service Providers

Subject: **Clarification regarding Payment of License Fee**

I have been directed to issue the following clarification with respect to payment of License Fee:

"It is hereby clarified that for the purpose of payment of quarterly License Fees, the intervening holiday/s or holiday/s on the last day of the prescribed period shall not result in extension of the specified period of payment. Hence, interest/ penalty as per the license conditions will apply on payment of quarterly License Fee dues beyond the specified period".

[Editor's Note: While this circular is in respect of License Fee, it's printed here since *prima facie* the same approach is expected to be followed for the spectrum charges due to government from operators.]

Extract

Note from WPC File No. L-14047/28/2004-NTG (Pt.)

xxxxxxxxxxxxxxxxxxxxxxxxxxxx

The case was discussed in the Room of WA in the presence of JWA (N), DDG (WPF), Director (WPF) and DWA (T). The

case is also dealt in file No. L-14047/06/2006-NTG, which is also under submission.

During the discussions, especially on applicability of rate of interest for the delayed payments of spectrum charges by M/s. Bharti Enterprises, during at (sic) different periods, the following points emerged:

Period	Interest for delayed payment	Remarks
Up to 30.6.2000	At the same rates and manner as in the Service License.	WPC forwarding letter for the wireless license indicates that any additional charges (interest/ penalty) on account of belated payment will be charged separately. However, it does not indicate the quantum of payment.
1.7.2000 to 31.3.2002	Simple interest @ 15% per annum	WPC Wing DO letter No. L-14041/09/99-NTG dated 10.7.2000, states that interest shall be levied on any outstanding dues not paid in time. It also indicates that interest at @ 15% shall be charged on such outstanding WPC dues.
1.4.2002 onwards	Same rate as stipulated in terms and conditions of the revised DOT Service License Agreement.	Order No. L-14047/07/2002-NTG dated 26.3.2002 permits the service providers to pay the spectrum charges on quarterly basis and also stipulates that "Outstanding dues (if any) for the period prior to 1.8.1999 based on the Government of India orders dated 20.7.1995 are also to be settled separately by the 15 th April, 2002 positively, failing which these will invoke penal interest at the same rate as stipulated in terms and conditions of the revised DOT License Agreement."

Submitted for kind consideration

Sd/- , 06.6.2006

~~W.A~~

DDG (WPF) may please see for concurrence. Thereafter, interest charges for delayed payments, if any, by M/s Bharti Enterprises, (as also for other service providers) would be calculated accordingly.

Sd/- , 06.6.2006

~~DDG (WPF)~~

The proposal above is as per discussions held on 6.6.2006 and is concurred.

Sd/- , 07.6.2006

~~W.A.~~

Member (F) has decided the case in file No. L-14047/06/2006-NTG (extracts presented above, earlier).

Sd/- , 07.6.2006

WPC No. R-11014/01/2004-LR dated 26.09.2006

All Central Government Departments were requested vide this Ministry's O.M. of even No. dated 05.04.04 to pay the admissible royalty and license fees for their wireless stations/ networks. **The payment of royalty and license fee for using radio frequency spectrum has become mandatory for all Central Government wireless users also with effect from 1st June 2004.**

2. It has been observed that only few Central Government Wireless users have paid their dues though more than two years have passed since our O.M. of April, 2004.

3. In view of above, **all Central Government wireless user departments are hereby requested to complete reconciliation of their spectrum usages charges/ dues and settle the payments by December 2006**, failing which WPC Wing, DOT may not be able to entertain any new request for frequency uses for such users.

(M. K. Rao)

AWA to Government of India

WPC No. J-14025/200(11)/06-NT dated 03.11.2006

Subject: **Spectrum charges for Microwave (MW) Access and MW Backbone Networks of GSM and CDMA based telecom service providers**

In pursuance of the powers conferred by Section 4 of the Indian Telegraph Act, 1885 (13 of 1885) and in supersession of the Order No. L-14047/01/2002-NTG dated 18th April 2002 and in partial modification of Order No. R-11014/4/87-LR (Pt.) dated 20th July 1995 and Corrigendum No. R-11014/26/2002-LR dated 1st April 2003, the Central Government hereby prescribes

the following royalty charges (based on revenue share) for Microwave (MW) Access (normally in the frequency band 10 GHz and beyond) and MW Backbone networks (generally below 10 GHz frequency band) of GSM and CDMA based telecom service providers;

2.1. The following revenue share percentage(s) shall be levied for assignment of Microwave networks of GSM and CDMA based telecom service providers.

Spectrum Bandwidth	Spectrum charges as percentage of AGR	Cumulative spectrum charges as percentage of AGR
First carrier of 28 MHz (paired)	0.15%	0.15%
Second carrier of 28 MHz (paired)	0.20%	0.35%
Third carrier of 28 MHz (paired)	0.20%	0.55%
Fourth carrier of 28 MHz (paired)	0.25%	0.80%
Fifth carrier of 28 MHz (paired)	0.30%	1.10%
Sixth carrier of 28 MHz (paired)	0.35%	1.45%

2.2. The above spectrum charges (as percentage of AGR) are applicable for both for MW access carriers (in Metros and other telecom service areas) as well as the MW backbone carriers separately.

2.3. While the first microwave access carrier can be allotted for the complete service area, subsequent carriers shall be allotted based on justification and for the cities/ districts where it is found to be essential.

2.4. However, the revenue share would be based on the AGR for complete service area for simplicity of calculations, which is one of the main features of the revenue share regime.

2.5. Assignment of frequencies for MW access and MW backbone networks for GSM and CDMA based telecom networks would continue to be considered on the basis of full justification of the requirements and availability of the spectrum, on case-to-case and link-to-link basis, after taking into consideration the spectrum requirement of the other users with a view to ensuring electromagnetic compatibility, etc. The complete technical analysis and all related aspects of frequency assignments, including efficient use of spectrum, will apply before assigning frequencies for various MW access and MW backbone links. There will be no obligation on the part of the Government to assign frequencies for such purposes.

2.6. These charges include the royalty charges for spectrum usages and license fee for the fixed stations in the MW access and MW backbone links.

2.7. The assignment of MW access and MW backbone frequencies shall not be exclusive for any service provider and will be shared with other services/ users.

2.8. In addition, the charges for GSM spectrum (in 900/ 1800 MHz band) and CDMA spectrum (in 800 MHz band) will continue to be levied in accordance with the existing orders on the subject.

3. These orders shall come into force from the date of issue.

(Sukhpal Singh)

Assistant Wireless Adviser to Government of India

Copy to: All concerned, COAI, AUSPI, All GSM-based operators, All CDMA-based operators, WMO, WF Division.

WPC Circular dated 05.03.2007

Subject: **Issue of Wireless Operating License – GSM Service Providers**

Reference meeting held on 27.02.2007.

It has been decided that all **GSM service providers** who have not been issued wireless operating license should obtain the license, latest by March 15, 2007.

2. They should submit the deployment plan in soft and hard copies and also file license application "ON LINE".

AWA (V)

Extract**Notes from DOT File No.1000-10/04-05/WFD**

This concerns the representation, dated 26.3.2007, received from M/s in respect of the assessment of spectrum charges for their Chennai Service Area License. The representation contains several enclosures (largely un-numbered) in support of the contentions made in the letter.

2. The major point concerns the allegation that while computing Adjusted Gross Revenue (AGR) the Department has not reduced the revenue from wireline services/ subscribers even though the License Agreement states that "spectrum charges are not payable on the wireline revenue".

3. From the Note of Director (WR) at 11-12/N it is clear that the Wireless Finance Division has not made the requisite adjustments in respect of the wireline-related revenue on a technical ground, namely, that the decision of Member (F) reproduced at 288-290/C had specifically been for "CDMA operators". He has accordingly suggested that the same decision be made applicable to even CMTS operators, using GSM technology, who had migrated to UASL regime (and who are now also earning revenue from wireline services).

4. In this context it is observed that the UASL license is technology neutral and allows the service provider to provide all types of telecommunications access services including the usual old wireline services. Clauses 18.3. & 19 thereof read as under and do not distinguish between CDMA-AGR and non-CDMA AGR.

"18.3 Radio Spectrum Charges:

18.3.1 *The LICENSEE shall pay spectrum charges in addition to the License Fees on revenue share basis as notified separately from time to time by the WPC Wing. However, while calculating 'AGR' for limited purpose of levying spectrum charges based on revenue share, revenue from wireline subscribers shall not be taken into account.*

18.3.2 *Further royalty for the use of spectrum for point to point links and other access links shall be separately payable as per the details and prescription of Wireless Planning & Coordination Wing. The fee/ royalty for the use of spectrum/ possession of wireless telegraphy equipment depends upon various factors such as frequency, hop and link length, area of operation and other related aspects etc. Authorization of frequencies for setting up Microwave links by Licensed Operators and issue of Licenses shall be separately dealt with WPC Wing as per existing rules.*

19. Definition of 'Adjusted Gross Revenue':**19.1 Gross Revenue:**

The Gross Revenue shall be inclusive of installation charges, late fees, sale proceeds of handsets (or any other terminal equipment etc.), revenue on account of interest, dividend, value added services, supplementary services, access or 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.

19.2 *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 PSTN related call charges (Access Charges) actually paid to other eligible/ entitled telecommunications service providers within India;*
- II Roaming revenues actually passed on to other eligible/entitled telecommunications service providers and;*
- III 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"*

5. In the light of the above facts, it is quite clear that there is no justification for making any differentiation between "CDMA-AGR" and GSM-AGR" for the purpose of computation of spectrum charges. In other words, the decision of Member (F) at 228-290/C should *mutatis-mutandis* apply to all UASL license holders irrespective of whether they use the CDMA or GSM technology. This may be considered for approval by Member (Finance).

6. While finalizing the case on above lines the Director (WR) shall need to ensure that the precise nature of the license and the identity of the licensee are duly verified. xxxxxx.....

7. For consideration of para 5 above.

Adviser (Finance)

(H.P. Mishra)
Dy. Director General (WPF); 19.4.07

Member (Finance)

(S.A. Tirmizi)
Adv. (F); 23.4.07

DDG (WPF) to discuss.

(Manju Madhavan)
Member (F); 3.5.07

Discussed. Para (5) approved.

(Manju Madhavan)
Member (F); 7.5.07

DOT No. K-19017/9/2007-CFA dated 01.06.2007

Subject: Application Registration Fee for SACFA Siting Cases

It has been decided that a sum of Rs.1000/- (Rupees one thousand only) will be payable per ID as "SACFA siting application registration fee" for fixed wireless installations in respect of all categories of sites. These charges are payable through demand draft from any Branch of State Bank of India drawn in favour of "Pay and Accounts Officer (HQ), Department of Telecommunications, New Delhi" and payable at State Bank of India, Main Branch, New Delhi (Code: 0691) or Service Branch, New Delhi (Code: 7687).

This O.M. supersedes the earlier O.M. No. K-16011/6/2002-CFA dated 28.5.2003 and comes into force with immediate effect.

F8. Orders by or for Wireless Finance Branch

DOT No. WFD/1018/2004 dated 06.02.2004

To: CCAs.

Subject: Transfer of work relating to collection of Spectrum Charges in respect of Cellular operators to the office of Controller Communication Accounts (O/o CCA)- Reg.

Reference: **O.M. dated 34-31/2004-SEA dated 30.1.2001**

Attention is invited to the orders contained in the Office Memorandum (para 11 refers) referred to above, whereby the work relating to Collection of Spectrum Charges on revenue sharing basis from various operators on behalf of the Government was delegated to the Office of the CCAs.

2. It has been decided that the O/o the CCA will handle the work relating to collection of Spectrum Charges in respect of Cellular Services in pursuance of the above-mentioned order. A detailed schedule of activities that are to be undertaken for the smooth transition of work from DOT HQ to the O/o the CCA is given below for strict compliance.

3.1 Date of effect

The actual date of effect for collection of spectrum charges from Cellular operators by the CCAs is 01.04.2004. The spectrum charges, which are to be collected quarterly in advance, for the year 2004, are due on 1.1.04, 1.4.04, 1.7.04 & 1.10.04 respectively. The licensees have been allowed a further period of 15 days from the commencement of the quarter for payment of spectrum charges. Thus the last date for the payment of spectrum charges is the 15th of the month from the commencement of the quarter. All adjustments/ short payments pertaining to the period prior to 1.4.2004 will continue to be collected by DOT HQ.

3.2 Submission of Returns on Collection of spectrum charges

Since spectrum charges are being monitored at the highest levels, CCAs are required to send information on the collections made from service providers every month as per **Annexure `A`** followed by quarterly information on collections.

If there are no payments received in a month, a "NIL" report is required to be sent invariably. It must be ensured that the amount mentioned in the monthly report tallies with the booked figure under the relevant head in the Cash Account Current for the month. If there are any differences, the reasons for the same are to be furnished. The due date for furnishing the Monthly Report to the DOT is the 5th of the month following the receipt. All payments should be in the form of DD/Pay order only. Payments through cheques are not to be received.

3.2.2 Credit of DD/Pay order in Government Account

As these are high value DDs/Pay orders, it may be ensured that they are deposited in the bank on the same day. Clearance of the same by the bank is also to be watched through bank reconciliation.

3.2.3 Quarterly Accounts reconciliation

Reconciliation will also required to be done on a quarterly basis between the estimated spectrum revenue recovered in advance from the service provider and the actual spectrum revenue as per the actual AGR. The quarterly reconciliation statement is to be submitted to DOT HQ by the 5th of the month following the quarter under report in the format at **Annexure 'B'**. At present, spectrum charges are collected in advance on a quarterly basis, based on the actual AGR of the service provider for the previous quarter, which is the estimated AGR of the present quarter (sic). At the time of submission of the actual AGR by the service provider, the difference in the amount of spectrum charges is to be calculated based on the difference between the estimated AGR and the actual AGR, and the same will be reflected in this proforma.

3.3 Classification of Spectrum Revenue

The spectrum charges (% of AGR) of the cellular operators (Circle wise) are at present being levied by the Wireless Finance Branch (WFB) of DOT. The Heads of Account for booking of these revenues are: Sub-Major Head: 1275-Other Communications and Sub-Minor Head 103-Receipts from WPC.

3.4 Rates of spectrum charges

The quantum of spectrum charges leviable from service providers depends on a percentage of the Adjusted Gross Revenue (AGR) and is determined by the bandwidth allotted to the cellular operator.

3.4(i) Spectrum Charges from Cellular operators (Radio Spectrum)

Cellular operators will pay spectrum charges on a revenue sharing basis @ 2% of their AGR for use of the cellular spectrum up to 4.4 MHz + 4.4 MHz, an additional 1% spectrum charges for bandwidth up to 6.2 MHz + 6.2 MHz, and a further 1% for bandwidth up to 10 MHz + 10 MHz. Since the DOT Headquarters allots the bandwidth, spectrum charges to be paid by the operators on the basis of the bandwidth allotted would be intimated by the DOT.

3.4(ii) Microwave access network (in the frequency bands of 10 GHz and above)

This is to be levied on 112 MHz in Circle/ 224 MHz in all four Metro cities @ 0.25% of AGR per annum. And for every additional 28 MHz in any Circle/ 56 MHz in the four metro cities or part thereof, @ 0.05% of AGR per annum.

3.4(iii) Microwave Backbone Networks (in frequency band below 10 GHz)

This will levied up to 56 MHz BW @ 0.10% of AGR per annum. And for every additional 28 MHz or part thereof @ 0.05% of AGR per annum.

3.5 Calculation of interest/ Penalty on delayed payment

Penal interest is to be levied for delayed payments as per the existing practice, and the procedure in vogue for delayed payments will be on the same terms and conditions as in the main DOT license agreement. Hence according to the provisions of the amendments signed by the licensees, interest on the delayed payment of spectrum charges is to be levied at the rate of the Prime Lending Rate (PLR) + 5%. The interest is to be compounded monthly, and a part of the month reckoned as a full month for the purpose of calculation of interest. In addition, in case the amount paid after self-assessment by an operator falls short by over 10% of the payable spectrum charges, a penalty of 150% of the entire amount of the short-payment is leviable. However, if such short payment is made good within 60 days from the last day of the financial year, no penalty is to be imposed. The work of computation of interest/ penalty/ short payment etc. will continue to be done by the DOT at present, and any demands on this account will be raised by DOT.

4. Maintenance of records

The following registers are to be maintained in the office of the CCA in order to ensure the timely submission of the returns referred to in para 3.2 above;

- i) Collections Register: This register is intended to record the collections from the licensees on a day to day basis. (The format for the same is enclosed at **Annexure 'C'**).
- ii) Revenue Share Register: This Register is intended to record the AGR as per Affidavit, and the Revenue Share payment for each quarter. This register is to be maintained licensee-wise. This register will form the basis for finalization of the revenue share at the end of the year. (Format enclosed at **Annexure 'D'**).

The Head of CCA will be responsible for proper maintenance of the above records, and for submission of the statements prescribed to DOT Headquarters, duly authenticated by him.

5. List of documents to be handed over to O/o CCA

The following document will be handed over to the representative of the CCA Office, and who will receive the same under

acquaintance from Wireless Finance Branch.

(i) The Circle wise/ operators wise list containing the rate at which the revenue is to be recovered from the operator along with the bandwidth allotted. (The details of bandwidth and percentage are based on the information furnished to Wireless Finance by the NTG Group of WPC wing in October 2002).

Shri R. Kalyanasundaram, ADG (WPF) is the nodal officer for this purpose. His contact No. and Fax no. are as under: Tele.No.23372090, FAX No.23372087

6. Revenue Share from MTNL/ BSNL

All dues relating to these organizations will continue to be handled by the Headquarters. It is not proposed to decentralize the work relating to these units at this stage.

7. Time Schedule

The collection of revenue share from the licensees is to commence at the CCA Offices from 1.4.2004. Hence all the Heads of the CCA offices are requested to collect the document mentioned in para 5 above from ADG (WPF), DOT Headquarters, New Delhi, when they come for the meeting of CCAs at Headquarters on 6.2.2004.

8. License agreement & Amendments thereof

It must be ensured that the main license agreement and the amendments thereof are thoroughly studied. Notwithstanding anything contained in this letter, the terms and conditions stipulated in the license agreement and amendment thereof, with particular emphasis on the financial conditions, have to be adhered to scrupulously.

9. Periodical Inspection of CCA

In order to have effective control over the work of collection of spectrum charges by the CCAs, a periodical inspection of the CCAs will be conducted by DOT HQrs.

10. CDMA

Orders for the decentralization of collection from CDMA operators will follow later.

(R.Kalyanasundaram)
ADG(WPF)

Annexure A

Office of the Controller of Communication Accounts
_____ (name of the Circle)

Monthly/ Quarterly Report of Collection of Spectrum Charges w.r.t. Radio Spectrum Frequency Band for Access and Backbone MW

Diary No & Date of Receipt	Name of Licensee	Circle/ City	Service CMTS/ Basic/ CDMA	Percentage of spectrum charges Radio Spectrum/ MW/BB	Amount of AGR Estimated/ Actual/ Audited
1	2	3	4	5	6

Payment particulars					
Quarter I/ II/ III/ IV to which payment relates	DD No./ Pay order No. and date	Name and Place of the Drawee Bank	Amount of DD/ Pay Order	Audited AGR (End of the year)	Credit/ Debit amount w.r.t. estimated vs actual/ audited AGR
7	8	9	10	11	12

Total (Rupees in words & figures)

Signature of CCA/ Jt. CCA

(as Head of Office)

Annexure B

Office of the Controller of Communication Accounts
 _____ (Name of the Circle)
 _____ (Name of the Operator)

Quarterly Accounts Reconciliation

Name of Licensee & Circle	Quarter ending	Percentage of Spectrum			Total	AGR			Amount Paid	Credit/ Debit amount w.r.t. estimated vs actual/ audited AGR
		Radio Spectrum	M/W Access	M/W Backbone		Estimated	Actual	Audited		

Signature of CCA/ Jt. CCA
 (as Head of Office)

Annexure - C

Collection Register (GSM)
 SERVICE: GSM

Amount Received (Rs)

Sl. No	DD/Pay Order No	DD/Pay Order Date	Bank Name	Period for which Spectrum Charges received	Service area Circle/City	Date of Receipt	Radio Spectrum Charges	MW Access	MW Backbone	Total	Total Amount received	Date of Remittance to PAO	Date of Clearance	Remarks

Signature of Head of CCA
 (AS Head of Office)

Annexure - D

Revenue Share Register

Name of the Licensee

Circle

Quarter beginning	Gross Revenue	PSTN Charges	Roaming Revenue of Other Service Providers	Service Tax	Net Revenue(AGR)	Provisional revenue Share paid	Date of Payment	Remarks

WPC No. 1012/9/WFD/2004-05 Dated 10.01.2005

Subject: Report(s) required to be submitted to DOT (HQ) with respect to payment of spectrum charges

This is in supersession to (sic) all earlier instructions regarding various reports to be submitted to DOT (HQ) with respect to receipts of spectrum charges.

Kindly find enclosed the format in which the details about payment of spectrum charges are to be submitted to DOT (HQ). This report (which should invariably be typed & not handwritten) is to be submitted in the time schedule as prescribed below.

- a) By 17th of the beginning of each quarter.
- b) Within one day of receipt of any payment. (In this case the AGR figures is (sic) not required to be mentioned.)

The payments/ outstanding is being monitored by Telecom Commission on regular basis. The time schedule/ correctness as above may be strictly complied with.

All other reports prescribed earlier in this regard may not be sent hereafter.

[Editor's Note: Thus, Annexure A prescribed vide WFD No. WFD/1018/2004 dated 6th February 2004 was withdrawn by this order.]

Details of Payment of Spectrum Charges

Report Quarter beginning _____
 Service Area _____
 Service **GSM**

Sl. No.	Name of Service Provider	Date of receipt of payment	Total amount received (both in figures and words)	DD No(s) & Date(s)	Name of Bank	Details of quarter(s) to which the payment pertains	Actual AGR of previous Quarter	Estimated AGR of Current Quarter

(Signature)
 Controller of Communication Accounts
 Date

DOT No. WFD/ 1018/ 2004 dated 01.03.2005
 To the Sr. CCA/ CCA/ Jt CCA

Subject: Transfer of Work of Collection of Spectrum Charges in Respect of UASL Licensees Using CDMA Spectrum to the Office of Controller Communication Accounts (O/O CCA) – Reg.

Reference: **O.M. No 34-31/2000-SEA dated 30.01.2001**

1. Attention is invited to the orders contained in the Office Memorandum (para 11 refers) referred to above, whereby the work relating to Collection of Spectrum Charges from various operators was delegated to the Office of the CCAs.
2. The spectrum charges for CDMA spectrum (% of AGR) as well as fixed charges for point to point links & backbone links of all UASL Licensees using CDMA spectrum are at present being collected by the Wireless Planning Finance (WPF) Branch of DOT (HQ). For better management, it has now been decided that the O/o the CCA will handle the work relating to collection of Spectrum Charges in respect of UASL Licensees using CDMA spectrum in pursuance of the above-mentioned order
3. Date of effect:
 The actual date of effect for collection of spectrum charges from UASL Licensees using CDMA spectrum by the O/O CCAs is 01.04.2005. The spectrum charges, which are to be collected quarterly, in advance, for the financial year 2005-06, are due on 1.4.2005, 1.7.2005, 1.10.2005 & 1.1.2006, respectively. The licensees have been allowed a further period of 15 days from the commencement of the quarter for payment of spectrum charges. Thus the last date for the payment of spectrum charges is the 15th of the month from the commencement of the quarter.
4. Calculation of Interest / Penalty on delayed payment:
 Penal interest to be levied for delayed payments is on the same terms and conditions as in the main DOT license agreement. However, for the time being the work of computation of Interest/penalty/short payment etc. will continue to be done by the DOT, HQ, and any demands on this account will be raised only be DOT (HQ).
5. Credit of DD / Pay Order in Government Accounts:
 All payments should be in the form of DD / Pay order only. Payments through cheques are not to be received. As these are high value DDs/Pay order, it may be ensured that they are deposited in the bank on the same day. Clearance of the same by the bank is also to be watched through bank reconciliation.
6. Classification of Spectrum Revenue:
 The Head of Account under which these revenues are to be booked is: Sub Major Head:1275-Other Communications and Sub Minor Head:103-Receipts from WPC.
7. Reconciliation of receipts of spectrum charges:

It must be ensured that the amounts collected as spectrum charges tallies with the booked figure under the relevant head in the Cash Account Current for the month. This reconciliation should be carried out on a monthly basis.

8. Rates of spectrum charges:

The spectrum charges leviable on the UASL Licensees using CDMA spectrum is determined by the bandwidth allotted to the licensee. For CDMA spectrum, spectrum charges @ 2% of the AGR is leviable for spectrum assigned upto 5 MHz+5 Mhz. The details of such CDMA spectrum assigned to licensees in your service area is enclosed as Annexure I. The additional charges for point to point links as well as backbone links are based on a fixed formula basis. The details of spectrum assigned for these links as well as the chargeable amounts for the same shall be forwarded separately.

9. Maintenance of records:

The following registers are to be maintained in the Office of the CCA :

- (i) Collection Register : This register shall record the collections from the licensees on a day-to-day basis. (The format for the same is enclosed at Annexure-II).
- (ii) Licensee Record Card register: This register shall record the AGR as per affidavit, and details of payments for each quarter. This register is to be maintained licensee-wise. (Format enclosed at Annexure-III).

The Head of CCAs will be responsible for proper maintenance of the above records, and would be required to review and affix signatures on a monthly basis.

10. Submission of returns on collection of Spectrum Charges:

Since spectrum charges are being monitored at the highest levels, the CCAs are required to send information on the collections made from service providers in the format placed at Annexure 'IV'. These reports are to be sent to DOT HQ at the following intervals:

- a) By 17th of the beginning of each quarter
- b) Within one day of receipt of any payment (This report shall not include the AGR figures)

The time schedule for submission of such reports may be followed scrupulously. The O/O CCAs are required to pursue with the service providers in case they fail to submit the AGR figures as required and ensure that these are submitted to DOT HQ in the required format.

11. Spectrum Charges from MTNL/ BSNL:

With effect from 01.04.2005, all dues relating to these organizations will also be collected by the respective O/O CCAs from the corresponding service areas of MTNL/ BSNL. However, in case of Kolkatta Metro of BSNL, such collection shall be done by Sr CCA, Kolkatta and for West Bengal Service Area of BSNL, the collection shall be done by CCA, West Bengal.

12. Periodical Inspection of CCA:

In order to have effective control over the work of collection of spectrum charges by the CCAs, a periodical inspection of the CCA's will be conducted by DOT Hqrs.

(P.K. Sinha)
Director (R-WPF)

Annexure I

Assignment of CDMA Spectrum				
Sl. No	Service Area	Name of Licensee	Quantum of CDMA Spectrum Assigned	% of AGR as Spectrum Charges
1	Madhya Pradesh	Bharti Infotel Ltd.	5+5	2
2		Reliance Infocomm Ltd.	2.5+2.5	2
3		Tata Teleservices Ltd.	2.5+2.5	2

Annexure II

Collection Register

SERVICE: CDMA

Sl. No.	Date of Receipt	DD/Pay Order No. & Date	Bank on which drawn	Name of service provider & service area(s)	Period to which the charges relate	Category of Spectrum Charges		
						CDMA spectrum	Point to point terrestrial Links	Backbone / satellite links
1	2	3	4	5	6	7	8	9

Total amount	Date of remittance to RBI	Date of clearance	Initial of	Remarks
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received			JAO/ AO	
10	11	12	13	14

NOTE: For columns like 5 to 9, where necessary, the details may be split into separate rows to take care of different Service Areas or periods involved.

.....
Signature of Head of CCA
(To be reviewed by the Head of CCA at the end of every month and affix signature)

Annexure III

LICENSEE RECORD CARD

Name of Licensee: Service Area:

Amounts received (Rs)

Sl. No.	Quarter Beginning	Actual AGR of previous Quarter	Estimated AGR of current quarter	Spectrum charges for CDMA spectrum	Spectrum charges for point to point links
1	2	3	4	5	6

Spectrum charges for Backbone links	Total Amount received	Date of receipt	DD/ Pay Order No	DD/ Pay Order Date	Name of Bank
7	8	9	10	11	12

.....
Signature of Head of CCA
(To be reviewed by the Head of CCA at the end of every month and affix signature)

Annexure IV

Details Of Payment Of Spectrum Charges

Report for Quarter beginning: _____ Service Area: _____
Service: CDMA

Sl. No.	Name of Service Provider	Date of receipt of Payment	Total Amount received (Both in figures and words)				DD No(s) & Date(s)	Name of Bank	Details of quarters to which payment pertains	Actual AGR of the previous Quarter	Estimated AGR of the current quarter
			Amount towards CDMA spectrum	Amount towards point to point links	Amounts towards Backbone links	Total Amount					

Signature of Head of CCA

M (F) D.O. No. 1/Misc/M(F)/05 dated 17.03.2005

In an effort to further streamline the working of WPF Branch as well as to ensure timely finalization of Accounts and proper monitoring of outstanding dues of various service providers, I would like that the report formats at Annexure-I and II be submitted to me on an intervals of two months beginning 15th April, 2005.

It may be ensured that the Accounts of licensees may invariably be finalized in a chronological sequence, i.e. the finalized AGRs received from LF Branch first shall be processed first for computation of outstanding dues.

Annexure I

Report to be submitted by 15th April, 15th June, 15th August, 15th Oct, 15th Dec, 15th Feb

Sl. No.	Service	Financial Years	Total No. of Finalized AGRs	Finalized AGRs received from LF	No of cases where Finalized	No of cases where	No of cases where finalized
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			liable to be received from LF branch for the Financial Year A	branch upto 31st Jan/ 31st Mar/ 31st May/ 31st Jul/ 30th Sep/ 30 th Nov. but pending computation of dues B	AGRs received from LF branch during last two months C	computation of dues done during the last two months D	AGRs received but dues computation pending on 31st Mar/31st May/31st Jul/30th Sep/ 30th Nov/ 31st Jan E=B+C-D
1.	Cellular (including migrated to UASL)	2002-03					
		2003-04					
		2004-05					

Annexure II

Report to be submitted by 15th April, 15th June, 15th August, 15th Oct, 15th December, 15th Feb

Service: GSM

Sl. No.	Name of Licensee	Service Area	Outstanding Dues as on 31st Jan/ 31st Mar/ 31 st May/ 31st Jul/ 30th Sep/ 30th Nov (Rs)	Amounts recovered during last two months	Outstanding Dues as on 31st Mar/ 31st May/ 31st Jul/ 30th Sep/ 30th Nov/ 31st Jan (Rs)	FBG available (Rs.)	Remarks and action taken for recovery

DOT No. WFD/ 1018/ 2004 dated 04.05.2005

To the Sr. CCAs/ Controller of Communication Accounts/ Jt. CCAs

Subject: Transfer of work of collection of Spectrum Charges from MTNL & BSNL for GSM & CDMA Spectrum

Reference: O.M. No. WFD/1018/2004 dated 6.2.2004 and No. WFD/1018/2004 dated 1.3.2005

References are invited to above mentioned OMs, in which it was stated that spectrum dues collection w.r.t. MTNL/ BSNL would continue to be handled by the DOT, Headquarters. The matter in this regard has been further examined. In order to further streamline and simplify the procedure of spectrum dues collection, it has been decided to delegate collection of spectrum dues from BSNL/ MTNL Circles, to corresponding CCA offices. Accordingly, the field CCAs shall henceforth be responsible for collecting spectrum charges w.r.t. CDMA & GSM spectrum from respective Circles of MTNL & BSNL w.e.f. 01.07.2005.

The respective office of CCAs shall collect such Spectrum Charges from the corresponding Service Area of MTNL/ BSNL. However, in case of Kolkata Metro of BSNL, such collection shall be done by Sr. CCA Kolkata and for West Bengal Service Area of BSNL the collection shall be done by CCA West Bengal.

Rest of the instructions regarding maintenance of records and reporting requirements shall remain unchanged.

(P.K. Sinha)
Director (R-WPF)

Memorandum No. L-14038/12/05-LR dated 17.06.2005

Subject: Payment of Spectrum Charges for Commercial VSAT Networks

It has been decided that w.e.f. 1.7.2004, collection of spectrum charges based on Audited AGRs, scrutiny and pursuance of outstanding dues of the Commercial VSAT operators will be carried out by the Wireless Planning Finance (WPF) Branch. It is therefore requested that payment of spectrum charges w.e.f. 1.7.2005 may please be sent to Director (WFD), WPF Branch, Room No. 715, Sanchar Bhawan, Department of Telecom, New Delhi.

Specific proforma, if any, for submission of spectrum fees will be communicated by the WPF Branch.

Sd/- DWA

DOT No. 1002-1/2005-WFD dated 29.09.2005

Subject: Opening of new Heads of Account under Sub-heads/ Detailed Heads in respect of booking of Revenue Receipts on account of spectrum and related dues

Hitherto, all the receipts on account of spectrum charges from service providers as well as captive users are being credited under MH 1275 – Other Communication Services – 103 – Receipts from Wireless Planning and Coordination organization. Further, receipts like examination fee, Application fee, etc. are being credited under this minor head. Recently, there has been phenomenal growth in the mobile and related services and this is expected to grow further. In this background, the issue of opening and operation of sub heads/ detailed heads under Minor Head 103 was taken up with the DG Audit (P&T).

The DG Audit (P&T) has given concurrence to open and operate the following subheads/ detailed heads below the Minor Head 103 – ‘Receipts from Wireless Planning and Coordination Organization’ under the Major Head 1275 – “Other Communication Services” to account for various receipts separately.

Major Head: 1275 (Other Communication Services)			
Minor Head: 103 (Receipts from WPC)			
Sub Heads:		Detailed Heads:	
01	Mobile Service Providers	01 02	CDMA GSM
02	Other Service Providers	01 02 03 04 05 06 07 08 09	Radio Paging PMRTS Internet Service Provider VSAT GMPCS NLDO ILDO IP-I IP-II
03	Captive Licenses	01 02 03 04 05 06 07	Fixed/ Mobile HF/ VHF/ UHF (Commn.) Broadcasting HF Fixed (Land) Broadcasting (FM Sound) Fixed (Satellite) VSAT (Data; Occasional voice) Captive Paging License Captive PMRTS Others
04	Non-Network Licenses	01 02 03 04 05 06 07 08	Aero Mobile Station Maritime Mobile Station Citizen Brand License Import License Dealer Possession/ Non-Dealer Possession License Demonstration License Experimental License Others
05	Other Misc. Receipts	01 02	Proficiency Certificate Other Miscellaneous Receipts

As such all payments received are to be booked under the relevant heads as specified above. Amounts already received so far from 1.4.05 till date may also be classified to relevant heads by passing suitable transfers entries.

(P.P.Singh)
ADG(WR)

(Note: The table has been edited for greater clarity – Ed.)

DOT No. 1019/WFD/2005-06 dated 10.03.2006
To Sr. CCAs/ CCAs/ Jt. CCAs

Subject: **Revised Collection Register for CDMA**

This is in continuation of this office memorandum No. WFD/1018/2004 dated 1st March 2005. Revised format for Collection Register for CDMA Spectrum Charges is enclosed for necessary action at your end.

Collection Register

SERVICE: **CDMA**

Sl. No	Date of receipt	DD/Pay Order No & date	Bank Name	Name of Service provider & Service Area(s)	Period to which Charges relate	Category of Spectrum Charges			Total Amount received	Date of remittance to RBI/SBI	Date of Clearance	Initial of JAO/AO	Remarks
						CDMA spectrum	point to point terrestrial links	Backbone/Satellite links					
1	2	3	4	5	6	7	8	9	10	11	12	13	14

NOTE: For columns like 5 to 9, where necessary, the details may be split into separate rows to take care of different Service Areas or periods involved.

Signature of Head of CCA

(To be reviewed by the Head of CCA at the end of every month and affix signature)

DOT No. WFD/1018/2004 dated 16.10.2006

To: M/s Tata Teleservices/ Hutchison Essar South/ Dishnet DSL/ Bharti Airtel/ Reliance Telecom/ Reliance Infocom Ltd.

Subject: **Reorganization of Work of Collection of Spectrum Charges in Respect of Basic, Cellular and UASL Services**

..... directed to state that in supersession of earlier instructions, it is now directed that henceforth, you shall be making payments of spectrum charges as prescribed to the CCA offices as set out in Annexure-I to this letter.

Annexure-I

S. No.	Name of the operator	Service Area	Category of Service	License No.	CCA where spectrum fee payment shall be submitted/ paid.
1.	M/s Tata Teleservices Ltd.	UP (West) (i/c Uttaranchal)	UASL	20-218/2003- Tata/BS-III	CCA, Uttaranchal, Dehradun
2.	M/s Reliance Infocom.	- do -	-do -	10-19/2004-BS-II/RIL/UP (W)	- do -
3.	M/s Hutchison Essar South	- do -	- do -	20-218/2003-Hutch/BS-III	- do -
4.	M/s Tata Teleservices Ltd.	Bihar(i/c Jharkhand)	UASL	20-204/2003-Tata-BS-III	CCA Jharkhand, Ranchi
5.	M/s Dishnet DSL Ltd.	-do -	-do -	20-204/2004-Dishnet/BS.III	-do -
6.	M/s Bharti Cellular Ltd.	- do -	-do -	20-210/2004-Bharti/BS.III	- do -
7.	M/s Reliance Infocom Ltd.	MP/ (i/c Chattisgarh)	UASL	10-11/2004-BS.II/RIL/MP	CCA, Chattisgarh, Raipur.
8.	M/s Bharti Infotel Ltd.	- do -	Basic	10-11/2003-BTL/MP	-do -

DOT No. WFD/1012/9/WFD/2004-05 dated 17.10.2006

Subject: **Maintenance of various Records relating to Spectrum Charges at CCA-end; Consolidated Order**

References:

1- O.M. No 34-31/2000-SEA dated 30.01.2001.

2- DOT order no. WFD/1018/2004 dated 6.2.04, vide which CMTS spectrum collection was delegated to the o/o CCAs.

3- DOT order no. 1012/9/WFD/2004-05 dated 10/01/05 vide which returns for collection of GSM were amended.

4- DOT order no. WFD/1018/2004 dated 01/03/05 collection of CDMA spectrum charges was delegated.

5- DOT order no. 1019/WFD/05-06 dated 10/03/06 vide which collection register of CDMA was amended.

Attention is invited to the orders** contained in the Office Memorandum (para 11 refers) referred to above, whereby the work relating to Collection of Spectrum Charges from various operators was delegated to the Office of the CCAs.

1-Spectrum charges:

The spectrum charges for GSM is collected as (% of AGR) while CDMA spectrum (% of AGR) as well as fixed charges for point to point links & backbone links of all UASL Licensees using CDMA spectrum.

2-Calculation of Interest / Penalty on delayed payment :

Penal interest to be levied for delayed payments is on the same terms and conditions as in the main DOT license agreement. However, for the time being the work of computation of Interest/penalty/short payment etc. will continue to be done by the DOT, HQ, and any demands on this account will be raised only by DOT (HQ).

3- Classification of Spectrum Revenue:

The Head of Account under which these revenues are to be booked is :- Major Head:1275-Other Communications, Minor Head:103-Receipts from WPC , Detailed head : 01 for CDMA, 02 for GSM.(The head of accounts is annexed at annex.I)

4-Reconciliation of receipts of spectrum charges:

It must be ensured that the amounts collected as spectrum charges tallies with the booked figure under the relevant head in the Cash Account Current for the month. **This** reconciliation should be carried out on a monthly basis as well as quarterly basis and a report to that effect be sent to the DOT H.Q.s.

5-Maintenance of records:**(A)FOR CMTS (GSM)**

(i) Return Submission: To be sent to DOT H.Q.

The return should be submitted in the proforma annexed herewith (annex.II) for each service area wise (sic) separately. The date of submission is 17th of the beginning of the quarter or as soon as the payment is received. The return should be signed by the concerned Head of the CCA.

(ii) Collection Register:

The collection register should be maintained in the CCA office in the proforma annexed herewith (annex. III) and Head of the CCA should sign it.

(iii) Revenue Share Register:

The revenue share registers is to be maintained in the Office of the CCA in the proforma as annexed herewith (Annex.IV) for each Licensee and Head of the CCA should sign it.

(A) FOR CDMA SERVICE:

(i) Return Submission: To be sent to DOT H.Q.

The return should be submitted in the proforma annexed herewith (annex.V) for each service area wise separately (for Maharashtra & Tamilnadu separate statements submitted and records need to be maintained for Mumbai metro and Maharashtra circle and Tamilnadu Circle and Chennai Metro separately). The date of submission is 17th of the beginning of the quarter or as soon as the payment is received. The return should be signed by the concerned Head of the CCA.

(ii)Collection Register:

The collection register should be maintained in the CCA office in the proforma annexed herewith (annex. VI) and Head of the CCA should sign it.

(iii)Licensee Record Card register:

This register should be maintained in the CCA office as per the annexure available at (Annex. VII) shall record the AGR as per affidavit, and details of payments for each quarter. This register is to be maintained licensee-wise.

The Head of CCAs will be responsible for proper maintenance of the above records, and would be required to review and affix signatures on a monthly basis.

6- Spectrum Charges from MTNL/BSNL:

With effect from 01.07.2005, all dues relating to these organizations will also be collected by the respective O/O CCAs from the corresponding service areas of MTNL/BSNL. However, in case of Kolkatta Metro of BSNL, such collection shall be done by Sr CCA, Kolkatta and for West Bengal Service Area of BSNL, the collection shall be done by CCA, West Bengal.

7-Periodical Inspection of CCA:

In order to have effective control over the work of collection of spectrum charges by the CCAs, a periodical inspection of the CCA's will be conducted by DOT Hqrs.

Above prescribed Proforma supersede all the proformas issued with previous letters/ orders of this office.

In case of any query/ problem with respect to above undersigned may pl. be contacted on phone/Fax numbers given below.

(S.K. Singh)
Director (R-WPF)

Encl. As above.

**** Editor's note:** The reference here is to the SEA Order No. quoted against Sl. 1 of 'Ref'

Return of CMTS to be sent by the CCAs by 17th of the beginning of each Qtr. or as soon as payment is received

(DOT No. WFD/1018/2004 dated 06/2/04, read with No. 1012/9/WFD/2004-05 dated 10/01/05)

To Be sent to DOT

Report for Quarter beginning : _____
Service Area : _____
Service : GSM

Sl. No	Name of Service Provider	Date of receipt of Payment	Total Amount received (Both in figures and words)	DD No(s) & Date(s)	Name of Bank	Details of the Quarters to which the payment pertains	Actual AGR of the previous Quarter	Estimated AGR of the current quarter

Signatures of CCA
(To be reviewed by the CCA at the end of every month and signatures affixed)

To be maintained at CCA office:

COLLECTION REGISTER (GSM)
SERVICE: GSM

Amount Received (Rs)

Sl. No.	DD/ Pay Order No.	DD/ Pay Order Date	Bank Name	Period for which Spectrum Charges received	Service area Circle/ City	Date of Receipt	Radio Spectrum charges	MW Access	MW Backbone	Total	Total Amount received	Date of remittance to PAO/ Bank	Date of clearance	Remarks

Signatures of CCA
(To be reviewed by the CCA at the end of every month and signatures affixed)

Revenue Share Register (GSM)
Name of the Licensee

Quarter beginning	Gross Revenue	PSTN Charges	Roaming revenue of other service providers	Service Tax	Net Revenue (AGR)	Provisional revenue of Share paid	Date of payment	Remarks

Signatures of CCA
(To be reviewed by the CCA at the end of every month and signatures affixed)

Return of CDMA to be sent by the CCAs by 17th of the beginning of each Qtr. or as soon as payment is received
(DOT No. WFD/1018/2004 dated 01/03/05)

DETAILS OF PAYMENT OF SPECTRUM CHARGES

Report for Quarter beginning : _____
 Service Area : _____
 Service : CDMA

Sl. No.	Name of Service Provider	Date of receipt of Payment	Total Amount received (Both in figures and words)				DD No (s) & Date (s)	Name of Bank	Details of quarters to which payment pertains	Actual AGR of the previous Quarter	Estimated AGR of the current quarter
			Amount towards CDMA spectrum	Amount towards point to point links	Amounts towards Backbone links	Total Amount					

Signatures of CCA
 (To be reviewed by the CCA at the end of every month and signatures affixed)

2. COLLECTION REGISTER

(Revised as per DOT No. 10/19/WFD/2005-06 dated 10/03/06)

SERVICE: CDMA

Amount in Rs.

Sl No	Date of receipt	DD/ Pay Order No & date	Bank Name	Name of Service provider & service area	Period for which Charges relate	Category of Spectrum Charges			Total Amount received	Date of remittance to RBI/ SBI	Date of clearance	Initial of JAO/ AO	Remarks
						CDMA spectrum	point to point terrestrial links	Backbone/ Satellite links					

Signatures of CCA
 (To be reviewed by the CCA at the end of every month and signatures affixed)

2. LICENSEE RECORD CARD

Name of Licensee:

Service Area:

Amounts received (Rs)

Sl No	Quarter Beginning	Actual AGR of previous Quarter	Estimated AGR of current quarter	Spectrum charges for CDMA spectrum	Spectrum charges for point to point links	Spectrum charges for Backbone links	Total Amount received	Date of receipt	DD/ Pay Order No	DD/ Pay Order Date	Name of Bank

Signatures of CCA
 (To be reviewed by the CCA at the end of every month and signatures affixed)

DOT No. 1003/1/06-07/WFD, dated: 03.08.2007

To the Sr.CCAs/ CCAs/ Jt.CCAs

Subject: Payment of spectrum charges by BSNL in respect of CDMA, GSM & Microwave frequencies used for its basic and cellular licenses

Please refer to this Division's Circular No.WFD/1018/2004 dated 04.05.2005 under which the work of collection charges was decentralized.

2. While reviewing the collections received from your office, it is seen that the corresponding actual and estimated AGRs for the quarterly payments have not been intimated along with the payments.

3. A list showing the GSM spectrum charges collected by your office from M/s BSNL is enclosed. You are requested to return the list within two weeks after verifying and incorporating therein the quarterly AGRs for the concerned licensed Service Area corresponding to the payments received, as well as details of missing payments, if any.

4. Please note that the work of collection of spectrum charges from BSNL, as delegated to the CCAs, includes, *inter alia*,

action to ensure that the payments from BSNL are received strictly as per terms of License Agreements. In other words, CCAs are expected to insist that BSNL duly furnish the prescribed Challan, Affidavits and Quarterly AGR Statements with each payment. CCAs are also expected to carry out a preliminary check of the contents of the documents accompanying the payment as to their compliance with the prescribed formats and to ascertain any apparent discrepancies, omissions or errors, and to take necessary follow up action thereon. However, as instructed earlier, receipt of Government dues should not be refused on purely technical grounds.

Receipt of this may be acknowledged.

(H.P. Mishra)
DDG (WPF)

Encl: As above.

The List

Details of GSM, MW Access and MW Backbone Spectrum Charges received from BSNL for the period from 01.7.05

Sl. No.	Name of CCA	Date of payment	AGR for the previous quarter	AGR for the current quarter	Amount paid	DD No.	DD date	Name of the Bank
Andhra Pradesh								
1.								
2.								

F9. Interest on Outstanding WPC Dues

For CERTAIN reasons, during the time the WPC Wing had been handling assessment and collection of wireless charges, no interest was recovered from the licensees for delayed payment of these charges.

As all Service Licenses stipulate recovery of interest from defaulting Service Providers for delayed remittance of wireless charges, and as (based on a decision taken by the Empowered Committee of Telecom Commission) a communication had also been addressed by WPC Wing to various wireless licensees stating that for delayed payment of WPC charges simple interest @ 15 % per annum would be charged.

Considering the facts in entirety with due regard to various documents, a decision was taken in file No. L-14047/06/06-NTG of WPC to recover, *ex-post-facto*, from defaulting licensees, interest for different periods at the rates given against each as follows.

Period	Applicable interest rate
1.8.1999 to 30.6.2000	At the same rate and manner as in the main Service license agreement.
1.07.2000 to 31.3.2002	Simple interest @ 15% per annum.
From 1.4.2002 onwards	As per the (revised) main license Service agreement.

F9.1 Prime Lending Rates of the State Bank of India

The prime lending rates of the *State Bank of India* from time to time are given below for ready reference. It may be noted that these are inherently *compound*, and not *simple*.

Period/ Date	Rate of Interest
16.03.95 to 14.07.96	17.5 %

Period/ Date	Rate of Interest
15.07.96 to 05.09.96	16.0 %
06.09.96 to 31.10.96	15.5 %
01.11.96 to 15.04.97	14.5 %
16.04.97 to 30.06.97	14.0 %
01.07.97 to 31.10.97	13.5 %
01.11.97	13.00 %
22.01.98	14.00 %
02.04.98	13.50 %
01.05.98	13.00 %
01.03.99	12.00 %
01.04.2000	11.25 %
12.08.2000	12.00 %
19.02.2001	11.50 %
01.04.2002	11.00 %
01.11.2002	10.75 %
05.05.2003	10.50 %
01.01.2004	10.25%
01.04.2005	10.25%
01.04.2006	10.25%
01.04.2007	12.25%

F10. Summary of License Provisions Regarding FBGs

License Categories	Provision in the license agreements
1. The pre-1999 cellular	Separate FBG equivalent to one year's dues.
2. The 4 th cellular of 2001	Equivalent to sum payable for two quarters.
3. Basic, UASL and Comm.-VSAT	Separate FBG equivalent to one year's dues.

G. Expenditure-Related Information

G1. National Radio Spectrum Management & Monitoring Project

The increasing pace of growth in telecom sector since the mid-nineties made it necessary, *inter alia*, to automate Radio Frequency (RF) Spectrum Management (including frequency assignment and wireless licensing) and Radio Monitoring facilities.

With this objective the Ministry of Communications & IT negotiated a loan of about US \$ 34.95 million with the World Bank for the 'Telecom Sector Reform Technical Assistance Project'. Out of this, the component for WPC/ WMO was about US \$ 30.63 million for the project titled "National Radio Spectrum Management & Monitoring System (NRSMMS)".

The NRSMMS project has two inter-related parts, viz.,

- Automated Spectrum Management System (ASMS), and
- National Spectrum Monitoring System (NSMS).

These are briefly described below.

G1.1. The Automated Spectrum Management System (ASMS)

The Automated Spectrum Management System (ASMS) would have a number of workstations with suitable servers connected in LAN /WAN networks so as to provide appropriate data-exchanges between the WPC headquarters, the WMO headquarters, Regional headquarters of WMO (at Chennai, Calcutta, Delhi and Mumbai) and individual Wireless Monitoring Stations. The software will cater for technical as well as operational and administrative functions of the WPC Wing.

The WPC Control Centre LAN will include dual servers with a large disk capacity to hold the operational database, digitized topographic model (DTM) database, spectrum management and monitoring application programs and office automation programs. The server configuration will include features to safeguard the database from loss and convenient data backup facilities. Features also include tools for the System Manager and Database Administrator to effectively and efficiently manage and maintain the WPC Control Centre and the associated network. The computer system will provide a windows-based environment for spectrum management, spectrum monitoring and office automation applications programs.

G1.2. National Spectrum Monitoring System (NSMS)

The National Spectrum Monitoring System (NSMS) consists of computer-controlled fixed monitoring and direction-finding systems for the frequency bands from 10 kHz to 3 GHz, transportable/ mobile units covering frequency bands from 20 MHz to 3 GHz, Microwave mobile monitoring units covering the frequency band from about 1 GHz to about 40 GHz, a satellite-monitoring fixed facility to monitor transmissions from Geo-stationary satellites in the frequency bands applicable to space radio communication services, and also radio noise survey units for specialized radio-noise related measurements. The mobile units consist of computer-controlled equipment mounted in racks and installed in specially designed heavy-duty vans.

Computer-controlled monitoring/ measurement will greatly help in reducing human errors, speed up the monitoring tasks in general, and also enable quick data exchange with specialized databases.

The completed project is expected to make an important contribution to the development of policy as well as regulation of spectrum in the Indian telecommunications sector. Computerization will greatly enhance speedy and efficient utilization of radio spectrum in India. Since the spectrum is limited but demand for radio-based services will continue to grow, the project - properly implemented - should help in optimum utilization of spectrum, and hence in equitable accommodation of different spectrum-users' demands. Some of the benefits expected from the project are:

1. Effective and efficient frequency assignment, wireless licensing, and radio monitoring processes for interference free operations.
2. Reduced processing time for applications for site clearance.
3. Speedy determination of unused/ vacant spectrum, and hence larger number of frequency assignments.
4. Reduction in investment risk in wireless services.
5. Most importantly it would enable WPC to lead the industry towards more productive spectrum use and adoption of uniform technical standards in the interest of the industry

as well as customers.

6. As an effective tool in developing necessary policies and regulations for third generation (IMT-2000) mobile communication systems.

Two inter-linked contracts for the NRSMMS project were simultaneously awarded to M/s. *Thales Communication*, France (for design, manufacture and supply of all offshore Plant & Equipment), and to M/s. *HFCL (India)*, New Delhi, India (for ex-works supply of Plant & Equipment from India including all services like installation, training and maintenance).

The *turn-key project* was originally scheduled to be completed by December 2004, but has suffered major delays, and is not likely to be over before March 2008. As and when completed, the project would improve not only *allocation* but also the *monitoring* of actual usage (unauthorized included) of RF spectrum in India, which is important not only because it is a scarce national resource and crucial for modern telecommunications services, but also from the angles of security and quality of service.

G3. Monitoring of Expenditure of WPC and WMO

While the Budget Division under the DDG (TPF) is charged with the responsibility of overall budgetary control, the WF Branch lends a helping hand in this matter in so far as the Plan and Non-Plan expenditures of WPC and WMO are concerned. As mentioned earlier in this volume elsewhere, the Wireless Monitoring Organization is headed by a Director (WMO) in the *senior administrative grade*. He exercises certain financial powers so as to discharge his duties. These are given in the following table.

Financial Powers of the Director, Wireless Monitoring Organisation		
(As provided by WMO along with a proposal to revise these powers)		
Item No.	Description of item	Powers exercised by Director (WM)
1.0.0	Creation & abolition of posts.	(i) Permanent posts in Group C & D services, (ii) Temporary posts in Group B, C & D services for any specified period.
2.1.1	New Schemes	No Powers
2.1.2.	Repetitive Projects	No Powers
2.2	Non Plan Schemes	-
2.3.0	Detailed Estimates	-
2.4.0	Land & Building	-
2.4.1	Land	
2.4.2	Buildings (Technical)	
2.4.3	Addition & Alterations to existing Deptl. Buildings	-
2.4.4	Repair of Building	Full Powers
2.4.5	Repair & additions to rented buildings	Rs.10,000/- per annum non-recurring & Rs.2,000/- per annum recurring.
3.0.0	Vehicles	
3.1.0	Sanction & Replacement	-
3.1.1.	Staff Car	No powers.
3.1.2.	Operational vehicles.	

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3.1.4	Repairs	Full Powers
-	Hiring	No Powers
4.0.0	Purchase	
4.1.0	Stores	Full powers in consultation with IFA.
4.1.1.	Procurement of spares (Hardware/ Software) and repair of electrical, electronics & other Monitoring equipments.	Full Powers.
4.1.2(A)	Draw of Advance for custom purposes.	-
4.1.2(B)	For other purposes	Rs.2,000/-
4.1.3	FE Release	
4.1.4	Purchase through DGS&D	Full Powers
4.1.5	Purchase without quotation.	Rs.15,000/- on each occasion
	Purchase through Procurement Committee	Above Rs.15,000/- and up to Rs.1,00,000/-
4.1.6	Purchase with quotation	Rs.1,00,001/- and above.
4.1.7	Other Items	
4.1.8	Office equipment	Full powers
4.2.0	Computer Stationery	-
4.2.1	Other Stationery	Rs.1,00,000/- per annum
4.2.2	Maps Books and publications (official).	Full Powers
4.2.3	Furniture & furnishings	Full Powers.
4.2.4	Liveries & uniform	Full Powers.
5.0.0	Contingent Expenditure	.
5.1.0	Recurring	Rs.25,000/- per annum in each case.
5.2.0	Non-recurring	Rs.60,000/- in each case
5.2.1	Advertisement	Full powers through DAVP
5.3.0	Hot & cold weather charges	Full powers
5.4.0	Printing & Binding	Rs.20,000/- per annum
5.5.0	Legal Charges	Full powers
5.6.0	Freight, demurrage & Wharfage charges.	Rs.1,000/-
5.7.0	Guarding of vital wireless Mon. Stns. by armed guards	-
5.8.0	Guarding of other Monitoring installations round the clock by armed guards.	-
5.9.0	Purchase of computers (including personal computers.)	Rs.1 lakh
6.0.0	Renting of buildings	Class of city.
	(i) Ordinary office accommodation	
	(a) Where the accommodation is entirely utilized for the office	A-1, A, B-1 and B-2, C Unclassified
	(b) Where the accommodation is used partly as office and partly as residence.	A-1, A, B-1 and B-2, C Unclassified.
	(ii) For residential and other purposes	A-1, A, B-1 and B-2, C Unclassified.
6.1.0	Technical Buildings	-do-
7.0.0	Payment of advances & securities etc.	-
7.1.0	Execution of works by other local/ public agencies	Nil
7.2.0	Security Deposits for electricity/ water connections	Nil

8.0.0.	Rates & Taxes	Full Powers.
9.0.0	Honorarium rewards and awards.	
9.1.0	Honorarium	Rs.2500/- in each case.
9.2.0	Rewards/ awards	Nil
10.0.0	Refunds, rebates and compensation	-
10.1.0	Compensation	-
10.2.0	Compensation for death/ injury.	-
10.3.0	Compensation for damage to property	-
11.0.0	Writing off of losses	
11.1.0	Irrecoverable loans & advances	Rs.10,000/-
11.2.0	Irrecoverable losses of stores or public money (including loss of stamps).	(i) Rs.50,000/- for losses of stores not due to theft, fraud or negligence. (ii) Rs.20,000/- for other cases.
12.0.0.	Scrapping of stores/ equipments.	Full powers.
13.0.0.	Donations, grants in aid etc.	-
13.1.0	Canteens/ Recreation clubs	Nil
14.0.0	Deputations of officials for training etc. in India.	-
15.0.0	Re-appropriation of funds	-
16.0.0	Professional services.	-
16.1.0	Other items of computerization	-
16.2.0	Other professional services	-
17.0.0	Acceptance of tenders and award of work	-
17.1.0	Award of work to the lowest tenderer through open tender.	
17.2.0.	Award of work to the lowest tenderer through limited tenders.	Rs.50,000/-

For budgetary control, the WF Division under Director (WF) keeps in touch with the concerned officers of both WPC and WMO from time to time. Some typical communications sent by WFD to WPC/ WMO are reproduced in the boxes below for information.

With a view to set up a regular monitoring mechanism in respect of the expenditures of the WPC Wing, inclusive of the Wireless Monitoring Organization, the WF Branch has also prescribed, in February 2006, a monthly statement of expenditure to be submitted by the WPC Wing every month (Given in the second box below).

DOT I.D.No. 1002/2/2004-WFD dated 14.01.2004
Addressed to: Director (WMO), Pushpa Bhawan, New Delhi

Subject: Control Over Budgeted Expenditure of WMO

This Division is in receipt of several references from various CCA (Controller of Communication Accounts) units regarding no information on BE, RE, FG with respect to Wireless Monitoring Stations attached to them. In the absence of any details showing Budget Allotment/ Revised Allotment/ Financial Grants to the wireless monitoring stations attached with them, they are facing difficulties to pay the bills, resulting in delay in payment.

2. It is, therefore, requested that while furnishing details of the budget allocation made under BE/RE/FG to the respective wireless monitoring stations, a copy of such details may also be endorsed to the concerned CCA offices with which the respective monitoring stations have been attached. A list showing DOT Cell Unit (now renamed as CCAs) to which wireless

monitoring stations have been attached w.e.f. 1.1.2001 is enclosed for your information and necessary action.

This issues with the approval of DDG (WPF).

Director (Finance) WPF

The List

Sl. No.	Name of the Unit & Address	WM Station	Name of the Circle to which attached up to 30.9.2000	D.D.O. to which attached w.e.f. 1.10.2000	Name of the Circle Accountant
1	Mon. Stn. Jalandhar, Main Garhi Road, Hardyal Nagar (near Brahma Kumari ashram), Jalandhar – 140 022 Ph: 0181-225210, FAX: 232544	Jalandhar	Punjab Telecom Circle, Chandigarh.	Accounts Officer O/o. Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
2	Mon. Stn. Jammu H.No. 41, Sector-1, Lane-2, Nanak Nagar, Jammu – 180 004; Ph:0191-430064	Jammu	J&K Telecom Circle, Jammu	Accounts Officer O/o. Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
3	Mon. Stn. Ajmer, Kotra, Pushkar Road, Ajmer – 305 004 Ph: 0145-425641; FAX: 634583	Ajmer	Rajasthan Telecom circle, Jaipur	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
4	IMS, New Delhi Ghitomi, PO Mehrauli, New Delhi-110 030 Ph: 011-6502380; FAX: 6502380	N. Delhi	PAO Headquarters DoT New Delhi	Accounts Officer O/o. Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
5	NRHQ, E Wing, III Floor, Pushpa Bhawan, Madangir Road, New Delhi-110062. Ph: 6087722; FAX: 6087762	N. Delhi	PAO Headquarters DoT New Delhi	Accounts Officer O/o. Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
6	Mon.Stn Gorakhpur, Gurauli Buzurg Chhapiya, P.O. Khajani Road; Gorakhpur - 273 001; Ph: 0551-321709; FAX:349329	Gorakhpur	UP. (E)Telecom Circle, Lucknow	Accounts Officer O/o Director Monitoring Organisation (Hq),	PAO (Hq) DoT Sanchar Bhawan, New Delhi
7	Mon. Hqrs, New Delhi; E wing, III floor, Pushpa Bhawan Madangir Road, New Delhi 110062 Ph.: 6082562 FAX : 6087762	N. Delhi	PAO (Hq), DoT, Sanchar Bhawan, New Delhi.	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO(Hq)DoT Sanchar Bhawan, New Delhi
8	IMS, Mumbai Gorai Road, Borivilli (West) Mumbai-400 092 Ph : 022-8671626 Fax: 8676244	Mumbai	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
9	WRHQ, IMS Campus Gorai Road, Borivilli (West), Mumbai-400 092 Ph: 022-8672351; FAX: 8672351	Mumbai	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
10	Mon.Stn. Goa Sylvia Road, Chogm Sangolda Road POAlto, Purvorim Goa - 403 521 Ph : 0832-417245 FAX:612040	Goa	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
11	Mon. Stn. Nagpur Chhindwara Road, PO Koradi, Nagpur-441111 Ph: 0712-612114 FAX 612040	Nagpur	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
12	ISMES, Jalna, Indewadi Vill, Ambad Road, Jalna - 431 203 Ph: 02482-30200; FAX:32200	Jalna	Maharashtra Telecom Circle, Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
13	IMS, Calcutta VIII, Gopalpur, Sarkarpool, PO 24 Parganas, Calcutta – 743 352; Ph: 033-4019840; FAX: 4014368	Calcutta	West Bengal Telecom Circle, Calcutta	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
14	ERHQ IMS Campus, VIII, Gopalpur, Sarkarpool PO 24 Parganas, Calcutta – 743352 Ph:033-4012960; FAX:4019407	Calcutta	West Bengal Telecom Circle, Calcutta	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
15	Mon. Stn. Dibrugarh G Sardarmal's Bld. Mancotta Road Dibrugarh – 786 001 Ph: 0373-325238, FAX: 325238	Dibrugarh	Assam Telecom Circle Guwahati	Accounts Officer O/o Director Monitoring Organisation (Hq),	PAO (Hq) DoT Sanchar Bhawan, New Delhi
16	Mon., Stn. Darjeeling, 7 Oaks Banki, Plot No. 560 Rose Bank, Darjeeling –	Darjeeling	West Bengal Telecom Circle,	Accounts Officer O/o Director Monitoring	PAO(Hq)DoT Sanchar Bhawan, New Delhi

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	734 102 Ph:0354-52383 FAX : 52383		Calcutta.	Organisation (Hq), New Delhi	
17	Mon. Str. Ranchi, Harmu Housing Colony, Ranchi – 834 012 Ph: 0651-243023 FAX:211433	Ranchi	Bihar Telecom Circle Patna	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
18	IMS, Chennai, Kandanchavadi, Perungudi, Chennai – 600 096 Ph: 044-4960275 FAX: 4963083	Chennai	Tamil Nadu Telecom Circle Chennai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
19	SRHQ IMS Campus, Kandanchavadi, Perungudi, Chennai-600 096 Ph:4960979 FAX:4960235	Chennai	Tamilnadu Telecomcircle Chennai	Accounts Officer O/o. Director Monitoring Organisation (Hq), New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
20	Mon. Str. Mangalore, Fatima Mansion, III Floor, Pintos Lane, Bijal PO Mangalore – 575004 Ph: 0824-493960; FAX: 4942449	Mangalore	Karnataka Telecom Circle, Bangalore	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
21	Mon. Str. Virag, 15-5-1, Saileswarn Road, Maharanipecta Vizag -530 002 Ph: 0891-539365; FAX: 542402	Vizag	AP Telecom Circle, Hyderabad	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
22.	Mon. Str. Bangalore 18, Padmanabha Nagar Banasankari, II Stage, Bangalore 560 070; Ph: 080-6690102 FAX: 6790300	Bangalore	Karnataka Telecom Circle Bangalore	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
23.	Mon. Str. Ahmedabad, Opp. Jagatpark Society, Ghatiodia, Ahmedabad – 380061 Ph: 079-7603444; FAX: 7603011	Ahmedabad	Gujarat Telecom Circle, Ahmedabad	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
24.	Mon. Str. Trivandrum, Kachani Post, Nattayam Trivandrum-695013; Ph: 0471-362202 FAX: 364333	Trivandrum	Kerala Telecom Circle, Trivandrum	Accounts Officer O/o Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
25.	Mon. Str. Shilong, PO Lapiang, Rynmeh, Shillong – 793 006 Ph: 0364-230113, FAX: 233727	Shilong	North East Telecom Circle, Shillong	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
26.	Mon. Str. Bhopal, 66-A, Sector-B, Shahpura, Bhopal-462039 Ph: 0755-564653; FAX: 723930	Bhopal	Madhya Pradesh Telecom Circle Bhopal	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi
27.	Mon. Str. Hyderabad, House No. 33-71/19, Venkateswara Officer's Colony, Ramakrishnapuram, secunderabad – 500 556; Ph:040-7794504, Fax: 7794530	Secunderabad	A.P. Telecom Circle, Hyderabad	Accounts Officer O/o. Director Monitoring Organisation (Hq) New Delhi	PAO (Hq) DoT Sanchar Bhawan, New Delhi

DOT I.D. No.1008/1/2006-WPF dated 14.02.2006

Addressed to the Wireless Adviser

Subject: Monthly Statement of Expenditure

Keeping in view the directions of Secretary (T) contained in the Minutes of the meeting held on 10.1.2006, the instructions of Ministry of Finance (Department of Expenditure) regarding restricting Plan/ Non-Plan expenditure of the last quarter within 33% of the budget, and general requirement of budgetary control, it has been decided to introduce a *monthly statement* indicating expenditure incurred by WMO and WPC under Plan/ Non-Plan budget of 2006-07 onwards.

2. It is, therefore, requested that details of monthly expenditure incurred by the WMO and WPC may please be furnished in the enclosed format to the WPF by 10th of the month following the month under report. While furnishing the report for the month ending December of a particular year, a certificate of the competent authority indicating that the unspent amount from within 67% of the Plan/ Non-plan expenditure required to be sent by December has been surrendered to the Budget Branch.

3. This issues with the approval of DDG (WPF).

Dir (Finance), WPF

Monthly Statement Showing Head-Wise Amount Allocated From Plan/ Non-Plan Budget Grant of 2006-07 And Expenditure Made Out of it in Respect of (_____ Office) During the Month Ending _____

S. No.	Item-wise allocation of funds to WMO/WPC	Item-wise & station-wise allocation of funds (out of col.2)	No. of financial sanctions issued during the month	Item-wise expenditure incurred during the month	Total exp. Incurred at the end of the month (Col.4&6)	Total of expenditure incurred (B/E) during the month	Balance allocated funds (C/F).
1	2	3	4	5	6	7	8

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When I let go of what I am, I become what I might be.

-- Lao Tzu

Annexure

Some Sample WPC Orders

<p>Most Immediate No. L- 14042/32 / 2004-NTG, dated 13.07.2006 <i>To, M/s. Bharti Cellular Ltd. ..., New Delhi...</i></p>				
<p>Subject: Earmarking of Frequency Spots for MW-Access Network for Cellular Mobile Telephone Services in Delhi Metro Service Area</p>				
<p>Sir,</p>				
<p>I am directed to refer your letter dated 12.06.2006 on the subject and to state that the following frequency spots for MW-Access are earmarked for CMTS network in Delhi Metro.</p>				
Freq.	Ch. Plan	Power	Hrs. of Oper	Area of Opn.
22050/23282 MHz	28MHz	20dBm	H24	Delhi Metro
<p>2. You are requested to submit link wise complete deployment plan using this carrier in the prescribed format within 15 days.</p>				
<p>2.1 Charging for this additional spectrum would commence from the date of this letter.</p>				
<p>3. With this earmarking, you have now 6 (six) 28MHz channelling plan carriers in Delhi Metro service area and any future network expansion for the next 3 years would have to be accommodated within these 6 assigned MW-Access carriers.</p>				
<p>(D. JHA) Asst. Wireless Adviser (V)</p>				
<p><i>Copy to:</i> Director (WFD)... The total MW-Access bandwidth with this earmarking is 336 MHz. The date of commencement of charging for the additional bandwidth will be effective from the date of this letter.</p>				

<p>Most Immediate No. 14048/ 02/ 2006-NTG, dated 28.08.2006</p>				
<p>To, M/s. Bharti Cellular Ltd. ..., New Delhi...</p>				
<p>Subject: Earmarking of frequencies for MW-Access network for Andhra Pradesh telecom service area</p>				
<p>Sir,</p>				
<p>I am directed to refer to your letter No. BCL/MU/2006 dated 10.03.2006 on the above mentioned subject and to state that the following frequency spots for MW-Access are earmarked for CMTS/UASL network in AP telecom service area.</p>				
Freq.	Ch. Plan	Power	Hrs. of Oper	Area of Opn.
21350/22582 MHz	28MHz	20dBm	H24	Hyderabad in Andhra Pradesh telecom service area
<p>2. The existing carrier namely 14543/14963 MHz of 7 MHz channelling plan is upgraded to 14543/14963 MHz of 28 MHz channelling plan.</p>				
<p>3. The existing carrier frequencies 14557/14977 MHz of 7 MHz channelling plan is withdrawn with immediate effect.</p>				
<p>4. Out of the 3 carriers in 15 GHz band with 28 MHz bandwidth each only two carriers can be deployed in all parts of the service area. The 3rd carrier can be deployed only in 4-5 main cities/ towns. Please indicate within a fortnight which two carriers in 15 GHz are to be deployed all over the area.</p>				
<p>5. With this earmarking and upgradation your total assigned MW-Access bandwidth will be 224 MHz. The charging for</p>				

additional bandwidth will commence from the date of this letter.

6. You are requested to submit complete link wise deployment plan using the earmarked frequencies as stated above in the prescribed format within 15 days.

(D. JHA)
Asst. Wireless Adviser (V)

Copy to: Director (WFD), New Delhi. The total MW-Bandwidth with this earmarking/ upgradation is now **224 MHz**. The charging for the additional bandwidth will commence from the date of this letter.

No. P-44044/ASMS/2006-PIU dated 29.12.2006

Notice to All Wireless Users

Wireless Planning and Co-ordination (WPC) Wing of Ministry of Communications & IT has initiated accepting online Wireless license applications. All existing wireless users who have not renewed their licenses, are requested to approach this office and provide the detailed technical information about their license and operations. The following mandatory data about the license may be provided immediately to enable this office to update the User database and facilitate simplified automated licensing process for all applicants:-

- 1) Name and address of Licensee
- 2) License Number
- 3) Valid up to
- 4) Type of License (P, G, L, EOT, DEMO, EXP Etc.)
- 5) Station Type (Fixed/Vehicle mobile/Hand held etc.)
- 6) Frequency of Operation (KHz/MHz/GHz)
- 7) Type of Emission and Bandwidth
- 8) Power of Transmission (Watts/dBW/dBm)
- 9) Period of operation
- 10) Transmitter Location
- 11) Transmitter's Latitude preferably taken with GPS Receivers (Deg/Min/Sec-6 digits)
- 12) Transmitter's Longitude preferably taken with GPS Receivers (Deg/Min/Sec-6 digits)
- 13) Any other relevant Information

2. It is mentioned that operation/ possession of wireless equipments without valid license constitutes violation of India Telegraph Act 1885 and India Wireless Telegraph Act 1933. Further frequency assignments for licensees will not be considered if the requisite information is not provided within a month from date of issue this notice.

3. The list of licenses where certain information is missing is given on the website URL [List of Licenses](#) the licensees are requested to kindly check the status of their license. If the required information is not received within a month of this notice these licenses and corresponding frequency assignments may be cancelled without any further notice. This will not take away right of the Government to recover license fee and Royalty, Spectrum charges as applicable up to the date of cancellation.

Data may be sent to:

By Post:

Kind attention: Sri V.J. Christopher,
Assistant Wireless Advisor,
WPC Wing, 6th Floor, Sanchar Bhawan,
Ministry of Communication & IT,
New Delhi 110001 (Along with a copy of License issued by WPC)

By Email: mails.wpc@nic.in

Deputy Wireless Advisor

Notification No. R-11014/31/2004-LR dated 10.01.2007

G.S.R.34 (E)- In exercise of the powers conferred by sections 4 and 7 of the [Indian Telegraph Act, 1885](#) (13 of 1885) and sections 4 and 10 of the [Indian Wireless Telegraphy Act, 1933](#) (17 of 1933), the Central Government hereby makes the following rules to amend the *Use of Low Power Wireless Equipment in 335 MHz for Remote Control of Cranes*

(Exemption from Licensing Requirement) Rules, 2005, namely:-

1. (1) These rules may be called the *Use of low power wireless equipment in 335 MHz for remote control of cranes (Exemption from Licensing Requirement) Amendment Rules, 2006.*

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the said rules, for rule 4, the following rule shall be substituted, namely:-

“4. Interference.- The effect of unwanted energy due to one or a combination of emissions, radiations or induction upon reception in a radio communication system, manifested by any performance degradation, misinterpretation, or loss of information which could be extracted in the absence of such unwanted energy, where any person whom a license has been issued under section 4 of the Act, informs that his licensed system is getting harmful interference from any other radio communication system exempted under these rules, the user of such unlicensed wireless equipment shall take necessary steps to avoid interference by relocating the equipment, reducing the power, using special type of antennae including discontinuation of such wireless use, if required;

Provided that, before such discontinuation, a reasonable opportunity to explain the circumstances shall be offered to such unlicensed user of wireless equipment.”

Note: The principal rules were published in the Gazette of India, Part II, Sec. 3, Sub-Section (i), dated the 12th August 2005, vide Notification No.532 (E), dated the 12th August 2005.

Notification No. R-11014/31/2004-LR dated 10.01.2007

G.S.R.35 (E)- In exercise of the powers conferred by sections 4 and 7 of the Indian Telegraph Act, 1885 (13 of 1885) and sections 4 and 10 of the [Indian Wireless Telegraphy Act, 1933](#) (17 of 1933), the Central Government hereby makes the following rules to amend the *Use of Low Power Wireless Equipment in the Citizen Band 26.957-27.283 MHz (Exemption from Licensing Requirement) Rules, 2005, namely:-*

1. (1) These rules may be called the *Use of low power wireless equipment in the citizen band 26.957-27.283 MHz (Exemption from Licensing Requirement) Amendment Rules, 2006.*

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the said rules, for rule 4, the following rule shall be substituted, namely:-

“4. Interference.- The effect of unwanted energy due to one or a combination of emissions, radiations or induction upon reception in a radio communication system, manifested by any performance degradation, misinterpretation, or loss of information which could be extracted in the absence of such unwanted energy, where any person whom a license has been issued under section 4 of the Act, informs that his licensed system is getting harmful interference from any other radio communication system exempted under these rules, the indoor user of such unlicensed wireless equipment shall take necessary steps to avoid interference by relocating the equipment, reducing the power, using special type of antennae including discontinuation of such wireless use, if required;

Provided that, before such discontinuation, a reasonable opportunity to explain the circumstances shall be offered to such unlicensed user of wireless equipment.”

Note: The principal rule were published in the Gazette of India, Part II, Sec. 3, Sub Section (i), dated the 12th August 2005, vide notification No.533 (E), dated the 12th August 2005.

Notification No. R-11014/23/2004-LR dated 10.01.2007

G.S.R.36 (E)- In exercise of the powers conferred by sections 4 and 7 of the Indian Telegraph Act, 1885 (13 of 1885) and sections 4 and 10 of the [Indian Wireless Telegraphy Act, 1933](#) (17 of 1933), the Central Government hereby makes the following rules, to amend the *“Use of low power Equipment in the frequency band 865 – 867 MHz for (RFID) Radio Frequency Identification Devices (Exemption from Licensing Requirement) Rules, 2005.”* namely:-

1. (1) These rules may be called the *Use of low power Equipment in the frequency band 865 – 867 MHz for (RFID) Radio Frequency Identification Devices (Exemption from Licensing Requirement) Amendment Rules, 2006.*

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In Rule 3, the words “shared (non-Exclusive)” shall be substituted in place of “non-exclusive”

3. In the said rules, for rule 4, the following rule shall be substituted.-

“4. Interference.- The effect of unwanted energy due to one or a combination of emissions, radiations or induction upon reception in a radio communication system, manifested by any performance degradation, misinterpretation, or loss of information which could be extracted in the absence of such unwanted energy, where any person whom a license has been issued under section 4 of the Act, informs that his licensed system is

getting harmful interference from any other radio communication system exempted under these rules, the indoor user of such unlicensed wireless equipment shall take necessary steps to avoid interference by relocating the equipment, reducing the power, using special type of antennae including discontinuation of such wireless use, if required;

Provided that, before such discontinuation, a reasonable opportunity to explain the circumstances shall be offered to such unlicensed user of wireless equipment."

Note: The principal rule were published in the Gazette of India, Part II, Sec. 3, Sub-Section (i), dated the 11th March 2005, vide notification No.168 (E), dated the 11th March 2005.

Notification No. R-11014/31/2004-LR dated 10.01.2007

G.S.R.37 (E).- In exercise of the powers conferred by sections 4 and 7 of the Indian Telegraph Act, 1885 (13 of 1885) and sections 4 and 10 of the Indian Wireless Telegraphy Act, 1933 (17 of 1933), the Central Government hereby makes the following rules to amend the *Indoor Use of low power wireless equipment in the frequency band 5 GHz (Exemption from Licensing Requirement) Rules, 2005*, namely:-

1. (1) These rules may be called the *Indoor use of low power wireless equipment in the frequency band 5 GHz (Exemption from Licensing Requirement) Amendment Rules, 2006*.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Indoor use of low power wireless equipment in the frequency band 5 GHz (Exemption from Licensing Requirement) Rule, 2005 (hereafter referred to as the said rules), in rule 3, after the words "coverage area", the words "on non-interference, non-protection and shared (non-exclusive) basis" shall be inserted.

3. In the said rules, for rule 4, the following rule shall be substituted, namely:-

"4. Interference.- The effect of unwanted energy due to one or a combination of emissions, radiations or induction upon reception in a radio communication system, manifested by any performance degradation, misinterpretation, or loss of information which could be extracted in the absence of such unwanted energy, where any person whom a license has been issued under section 4 of the Act, informs that his licensed system is getting harmful interference from any other radio communication system exempted under these rules, the indoor user of such unlicensed wireless equipment shall take necessary steps to avoid interference by relocating the equipment, reducing the power, using special type of antennae including discontinuation of such wireless use, if required;

Provided that, before such discontinuation, a reasonable opportunity to explain the circumstances shall be offered to such unlicensed user of wireless equipment."

Note: The principal rule were published in the Gazette of India, Part II, Sec. 3, Sub-Section (i), dated the 28th January 2005, vide notification No.46 (E), dated the 28th January 2005.

Notification No. R-11014/31/2004-LR dated 19.01.2007

G.S.R.38 (E). - In exercise of the powers conferred by sections 4 and 7 of the Indian Telegraph Act, 1885 (13 of 1885) and sections 4 and 10 of the Indian Wireless Telegraphy Act, 1933 (17 of 1933), the Central Government hereby makes the following rules, namely:-

1. Short title and commencement.- (1) These rules may be called the *Outdoor Use of wireless Equipment (Exemption from Licensing Requirement) Rules, 2007*.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definition.- In these rules, unless the context otherwise requires,-

(a) "Act" means the Indian Telegraph Act, 1885 (13 of 1885);

(b) "Effective Isotropic Radiated Power" includes the gain of the antenna, if any;

(c) words and expressions used in these rules and not defined but defined in the Act and the Indian Wireless Telegraphy Act, 1933 (17 of 1933), shall have the same meanings respectively as assigned to them in those Acts.

3. Use of wireless equipment in the 5.825 to 5.875 GHz.- Notwithstanding anything contained in any law for the time being in force, no license shall be required by any person to establish, maintain, work, possess or deal in any wireless equipment for the purpose of low power Wireless Access System, including Radio Local Area Networks, in the frequency band of 5.825 to 5.875 GHz with the Maximum Effective Isotropic Radiated Power and maximum power of transmitter as specified in the Table below, namely:-

TABLE

Frequency Band (1)	Maximum Power of Transmitter (2)	Max. Effective Isotropic Radiated Power (3)
5.825 to 5.875 GHz	1 W (30 dbm) in spread of 10 MHz or higher.	4 Watt peak or 36 dbm

4. Interference- The effect of unwanted energy due to one or a combination of emissions, radiations or induction upon reception in a radio communication system, manifested by any performance degradation, misinterpretation, or loss of information which could be extracted in the absence of such unwanted energy, where any person whom a license has been issued under section 4 of the Act, informs that his licensed system is getting harmful interference from any other radio communication system exempted under these rules, the outdoor user of such unlicensed wireless equipment shall take necessary steps to avoid interference by relocating the equipment, reducing the power or by, using special type of antennae and the Central Government may with a view to ensure smooth functioning of the communication system direct the discontinuance of such Wireless use.

Provided that, before such discontinuation, a reasonable opportunity to explain the circumstances shall be offered to such unlicensed user of wireless equipment.

5. Equipment.- (1) The wireless equipment shall be type approved and designed and constructed in such a manner that the bandwidth of emission and other parameters shall conform to the limits specified in the Table referred to in Rule 3.

(2) The application for obtaining equipment type approval shall be made to the Central Government in such form as may be required by that Government in this behalf.

CIRCULAR

Dated: 05.03.2007

Subject: **Issue of Wireless Operating License-GSM Service Providers**

Reference meeting held on 27.02.2007. It has been decided that all GSM service providers who have not been issued wireless operating license should obtain the license, latest by March 15, 2007.

2. They should submit the deployment plan in soft and hard copies and also file license application "ON LINE".

(D.JHA)
Asst Wireless Adviser (V)

No. L-14047/07/2007-NTG, dated 06.07.2007

To: M/s. Bharat Sanchar Nigam Ltd.

Subject: **Field Trials of EM/EMC in 1800 MHz GSM Band in Various Telecom Service Areas – Regarding**

References: (a) WPC WING letters of even No. dated 12.3.07, 05.4.07, 10.5.07 and 24.5.07.

(b) BSNL letter Nos. dated 23.5.07, 24.5.07, 28.5.07, 05.6.07, 08.6.07 and 18.6.07

1. I am directed to refer the above mentioned letters and to state that it has been decided to levy the spectrum charges on total spectrum including additional spectrum earmarked for trial purpose in various telecom service areas for EMI/ EMC analysis, as per applicable rates of spectrum charging since the date of earmarking of such trial spectrum.

2. The other terms and conditions of the field trial will remain unchanged.

Assistant Wireless Adviser (V)

Copy to: DDG (WPF), Sanchar Bhawan, New Delhi. The details are enclosed as per annexure for charging on total spectrum including trial spectrum.

Annexure-1

Name of the service provider: BSNL

S. No.	Circle/ Metro	Spectrum already earmarked (In MHz)	Addl. Spectrum Earmarked on trials basis (In MHz)	Total spectrum including trial spectrum (In MHz)	Date on which trial spectrum earmarked
1.	Kolkata Metro	6.2+6.2	3.8+3.8	10+10	10.05.2007
2.	Chennai Metro	8+8	2+2	10+10	12.03.2007

3.	Andhra Pradesh	8.0+8.0	2+2	10+10	12.03.2007
4.	Karnataka	8.0+8.0	2+2	10+10	05.04.2007
5.	Maharashtra	8.0+8.0	2+2	10+10	12.03.2007
6.	Tamilnadu	8.0+8.0	2+2	10+10	12.03.2007
7.	Kerala	8.0+8.0	2+2	10+10	12.03.2007
8.	UP(E)	8.0+8.0	2+2	10+10	12.03.2007
9.	UP(W)	8.0+8.0	2+2	10+10	12.03.2007
10.	West Bengal	6.2+6.2	1.8+1.8	8+8	12.03.2007
11.	Bihar	8.0+8.0	2+2	10+10	05.04.2007
12.	MP	6.2+6.2	3.8+3.8	10+10	10.05.2007
13.	Orissa	6.2+6.2	3.8+3.8	10+10	10.05.2007
14.	North East	6.2+6.2	3.8+3.8	10+10	10.05.2007
15.	Assam	6.2+6.2	3.8+3.8	10+10	24.05.2007

No. L-14047/07/2007-NTG, dated 06.07.2007

To: M/s. Mahanagar Telephone Nigam Ltd.

Subject: Field trials of EMI/ EMC in 1800 MHz GSM Band for Delhi and Mumbai Metro Service Areas; regarding Reference: WPC WING letter No. L-14047/11/2007-NTG dated 30.03.2007

I am directed to refer the above mentioned letter and to state that it has been decided to levy the spectrum charges on total spectrum including additional spectrum earmarked for trial purpose in Delhi and Mumbai Metro service areas for EMI/EMC analysis, as per applicable rates of spectrum charging since the date of earmarking of such trial spectrum.

2. The other terms and conditions of the field trial will remain unchanged.

Assistant Wireless Adviser (V)

Copy to DDG (WPF), Sanchar Bhawan, New Delhi. The details are enclosed as per annexure for charging on total spectrum including trial spectrum.

Annexure-1

Name of the service provider: MTNL

S. No.	Circle/ Metro	Spectrum already Earmarked (In MHz)	Addl. Spectrum earmarked on trials basis (In MHz)	Total spectrum including trial spectrum (In MHz)	Date on which trial spectrum earmarked
1.	Delhi	8+8	4.4+4.4	12.4+12.4	30.03.2007
2.	Mumbai	8+8	4.4+4.4	12.4+12.4	30.03.2007

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“Well done is better than well said.”

- Ben Franklin

***"The naked truth
is always better than the best
dressed lie."***

-- Ann Landers, born 1918

CHAPTER 7

UNIVERSAL SERVICE OBLIGATION FUND

A. Background

In India, DOT as a monopoly telecommunications service provider, first adopted the VPT policy in the seventies with provision of Long Distance Public Telephones (LDPT) on the basis of population of a village, progressively enhancing the scope to the provision of a Public telephone within 5 km of any habitation, Public telephone in every Gram Panchayat Village, and finally a Village Public Telephone (VPT) in every village. One of the objectives of the National Telecom Policy 1994 was to achieve universal service covering all villages as early as possible. Universal Service Obligation was incorporated in the license of Basic Service Providers in the form of DELs & VPTs targets that a private basic service provider was obliged to meet. Due to various reasons, the goals set out in NTP 94 for VPTs as well as USO could not be realised.

The New Telecom Policy announced in 1999 also laid great emphasis on universal service and seeks to achieve the following Universal Service Objectives:

- i) Provision of voice and low speed data service to the balance 2.9 lakh uncovered villages by the year 2002,
- ii) Achieve Internet access to all district headquarters by year 2000, and
- iii) Achieve telephone on demand in urban and rural area by year 2002.

The NTP-99 further provided that the resources for meeting the Universal Service Obligation (USO) would be raised through a 'Universal Access Levy' (UAL), which would be a percentage of the revenue earned by the operators under various licenses, to be decided in consultation with the Telecom Regulatory Authority of India (TRAI).

The implementation of USO obligation for rural/ remote areas would be undertaken by all fixed service providers who shall be reimbursed from the fund. Other service providers shall also be encouraged to participate in USO provision subject to technical feasibility and shall be reimbursed from the funds.

In terms of the NTP-99, the recommendations of Telecom Regulatory Authority of India (TRAI) were sought in May and October, 1999 on issues relating to the Universal Service Obligation. TRAI after considering in detail the determination of the Universal Access Levy and its application had forwarded its recommendations to the Department in October, 2001. These recommendations were duly considered and a reference was made to TRAI as per statutory requirements, on two issues where the views of the Telecom Commission differed from TRAI viz., administration of Universal Service Fund by DOT and disbursement from the Fund through a bidding process. Government felt that since the Communication Convergence Bill had also dealt with USO, as an interim measure, the administration of the fund should be with DOT. Further, with regard to disbursement from the Fund, the Telecom Commission felt that an auctioning model on the least quoted subsidy basis would be a more efficient and transparent approach.

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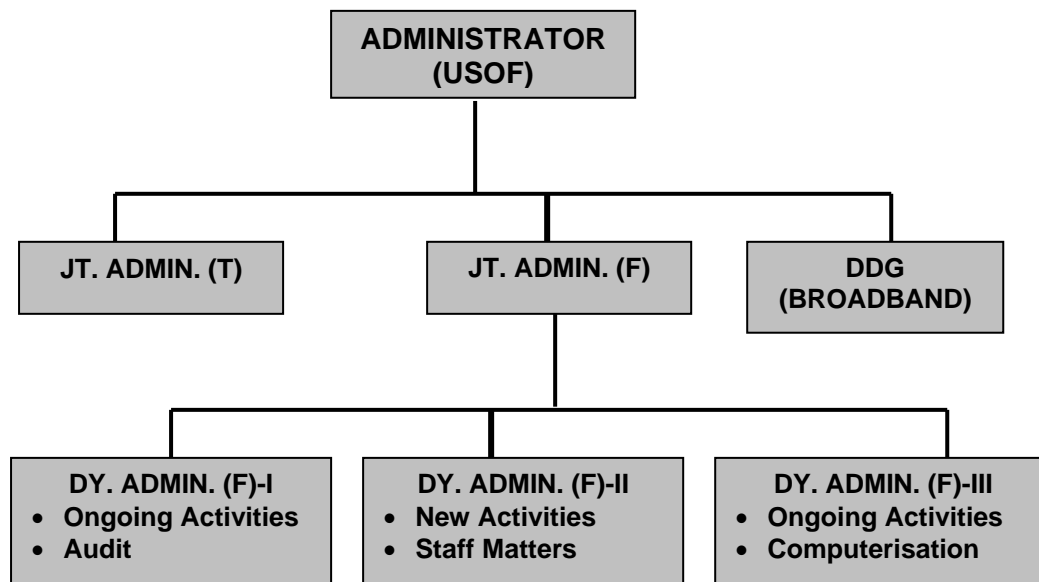
After TRAI's response, the guidelines for implementation of Universal Service Support Policy were issued by the Department. The Guidelines were in force till March, 2004, when the notification of the Indian Telegraph (Amendment) Rules, 2004 was issued.

B. Organizational Structure and Functions

An Officer of the rank and status of Secretary to Government of India has been appointed w.e.f. 1.6.2002 as Administrator, Universal Service Fund. The office of the Administrator is an Attached Office of DOT. The Administrator has powers to:

- (a) formulate bidding procedures including its terms and conditions for the purposes of implementation of Universal Service Obligation;
- (b) evaluate the bids called for the purposes of implementation of Universal Service Obligation;
- (c) enter into Agreement with the Universal Service Provider for the purposes of implementation of Universal Service Obligation;
- (d) settle the claim of Universal Service Provider after due verification, and make disbursements accordingly from the Fund;
- (e) specify relevant formats, procedures and records to be maintained and furnished by the Universal Service Provider;
- (f) monitor the performance of the Universal Service Provider as per the procedure specified by him from time to time.

A dedicated cell under Administrator, USF has been established comprising three SAG officers, and other officers drawn from the IP&TAFS and the ITS cadres.



The work relating to disbursement of subsidy towards USO has been transferred to the O/o the Controller of Communication Accounts (CCA)/ Jt. Controller of Communication Accounts (Jt. CCA).

An Inter-Ministerial Advisory Committee with representatives from Indian Institute of Technology, Chennai, Indian Institute of Management, Ahmedabad, Ministry of Finance, Ministry of Law & Justice, Planning Commission, TRAI and DOT has been constituted under the Chairmanship of

Administrator, USF for suggesting measures on important issues relating to the Fund's administration.

C. Status of Universal Service Obligation Fund

The Indian Telegraph (Amendment) Act, 2003 gives statutory status to the Universal Service Obligation Fund. The Rules governing the implementation of USOF were notified in March, 2004. Copies of the Act and the Rules are available at Appendices I & II respectively printed at the end of this chapter.

With the passing of the above Amendment Act, the USO Fund has been given the status of a *non-lapsable* fund with retrospective effect from 1.4.2002. The Act provides that credits to the fund by way of Parliamentary approvals would include not only amounts received towards USO levy, but also any Grants and loans made by the Central Government. The Fund shall be utilized exclusively for meeting USO aims.

D. Scope of Support

The National Council of Applied Economic Research (NCAER) has been entrusted with the task of evolving Benchmark Costs for the various activities covered under USO. The benchmark costs so evolved forms the upper ceiling for invitation of bids. Review of representative rates relating to the Agreements for Operation and Maintenance of VPTs and Replacement of MARR VPTs is also being carried out by NCAER.

Support from the USOF is towards the net cost i.e., annualized Capital Recovery plus Operating expenses minus annual revenues with two exceptions viz., (a) under the Agreement for Operation and Maintenance of VPTs, only annual operating expenses minus annual revenues has been taken into account while arriving at the benchmark and (b) In the case of Rural Household DELs installed prior to 1.4.2002, support is towards the difference in TRAI prescribed rental and rental charged by the service provider.

The annual subsidy payable quarterly in arrears in the case of the Agreements for Operation and Maintenance of VPTs and Replacement of MARR VPTs is uniform throughout the period of the Agreements, subject to review of the representative rate after three years of signing of the Agreement. In order to provide incentive to the Service Providers to participate in activities requiring capital investment, a departure from the practice of providing uniform subsidy has been made in respect of the remaining activities. Support to VPTs in the uncovered villages as per Census 1991, Rural Community Phones, Public Tele Information Centres (PTICs), High Speed PTICs and Rural Household DELs installed after 1.4.2002 consists of two components (a) one time front loaded component of subsidy payable on installation and (b) equated annual subsidy payable quarterly in arrears.

E. Changes in the Guidelines as Enunciated in the Rules

Consequent upon the migration of Basic Service Operators (BSOs) to Unified Access Services License Regime the obligation to provide VPTs no longer remains. Accordingly therefore, the Rules provide for Capital recovery also to be considered while working out the Net Cost for VPTs that remain to be installed in the Census 1991 revenue villages.

For Rural household Direct Exchange Lines (DELs) installed prior to 1.4.2002, the differential

between the rental prescribed by TRAI and the rental charged by the Service Provider is covered by the support from USOF instead of the Net Cost approach applied to the identified 486 Short Distance Charging Areas (SDCAs). This applies to all such rural household DELs from 1.4.2002 to 31.1.2004, i.e., till such time the Access Deficit Charge (ADC) prescribed by TRAI came into effect.

[Note: This was done because BSNL could not increase the rural tariff to the levels proposed by TRAI consequent to tariff rebalancing.]

For Rural household DELs installed after 1.4.2002, all SDCAs are to be taken into account for working out the Net Cost and all rural household DELs in the Net Cost positive SDCAs shall be extended support from the USOF instead of restricting support to Rural DELs in the net cost positive SDCAs out of the 486 identified Rural SDCAs.

F. Salient Features of Various Agreements under USOF

F1. Agreement for Operation & Maintenance of VPTs

- The Agreement is valid for a period of seven years.
- SSA-wise technology specific Representative Rate for which subsidy is to be given forms part of the Agreement.
- For Wireless technologies, WLL rate shall apply wherever no Representative Rate has emerged, unless specifically allowed.
- The VPTs on any wireless technology shall be provided using Fixed Wireless Terminals (FWTs)
- Review of Representative Rate in the third year taking into account *inter-alia* the increase in revenue on account of provision of STD facility. The revised rates to be applicable from the 4th year onwards (already undertaken).
- Disbursement of subsidy to be made quarterly in arrears.
- Claims to be submitted within 30 days from the close of the quarter. (revised from the earlier 15 days)
- For amounts received in excess of 10 % of the subsidy due for a financial year, the entire amount paid in excess shall be recovered along with an interest from the date of disbursement at the Prime Lending Rate of SBI.
- Deduction of pro-rata subsidy on account of telephones remaining faulty for more than seven days in a quarter.
- In cases where the VPT remains faulty for 45 days or more in a quarter, no subsidy for the entire quarter shall be allowed.
- With effect from the quarter ending 30.09.2004, VPTs that remain disconnected on account of non-payment and VPTs that register no incremental meter reading during the entire quarter shall not qualify for any support for that quarter.
[Reference letter No. 30-101/2002-USF dated 14.09.2004.]
- MARR-VPTs on their replacement will not be eligible for subsidy under this Agreement.
- The Universal Service Provider may change the location of VPTs to provide better access to the public within the same village.
- No payments for relocating the VPTs will be made from USOF on the expenditure incurred on relocation.
- Performance Bank Guarantee (PBG) equivalent to one quarter's subsidy payable for all the VPTs in the Service Area for which the Agreement has been entered into.
- For BSNL the requirement for submission of PBG has been waived as long as it is a 100% Govt. owned company. The PBGs are presently being kept at USF HQs.
- The Agreement for J&K Service Area will be renewed yearly.

F2. Agreement for Replacement of MARR VPTs

- Subsidy for a VPT shall be for seven years from the date of its replacement or upto the date of termination of Agreement, whichever is earlier.
- Roll-out obligation prescribing 50% of the MARR VPTs in the Service Area to be replaced within one year from the effective date of the Agreement and the balance within two years from the effective date of the Agreement. The period has been extended to 3 years vide letter No.30-107/2002-USF dated 21/10/2004.
- Provision of Liquidated Damages in case of non-fulfillment of the roll out obligation. The Liquidated Damages shall be at 10% of the annual subsidy payable for those VPTs for each calendar month of delay or part thereof, subject to a maximum of 20% of the annual subsidy payable.
- SSA wise technology neutral Representative Rates.
- Review of Representative Rate in the third year taking into account, inter-alia, the increase in revenue on account of provision of STD facility. The revised rates to be applicable from the 4th year onwards. The review has already been undertaken.
- Disbursement of subsidy to be made quarterly in arrears.
- Claims to be submitted within 30 days from the close of the quarter.
- For amounts received in excess of 1 % of the subsidy due for the financial year, the entire amount paid in excess shall be recovered along with an interest from the date of disbursement at the Prime Lending Rate of SBI.
- Deduction of pro-rata subsidy on account of telephones remaining faulty for more than seven days in a quarter. In cases where the VPT remains faulty for 45 days or more in a quarter, no subsidy for the entire quarter shall be allowed.
- With effect from the quarter ending 30.09.2004 VPTs that remain disconnected on account of non-payment and VPTs that register no incremental meter reading during the entire quarter shall not qualify for any support for that quarter.
- Since BSNL only has emerged as the successful bidder, no Performance Bank Guarantee has been imposed. For BSNL the requirement for submission of PBG has been waived as long as it is a 100% Government owned Company.

F3. Agreement for Provision of VPTs in Uncovered Villages, and Rural Community Phones (RCPs)

- The Agreement is valid for a total period of 8 (Eight) years from the effective date. The subsidy support shall be extended up to a maximum period of 5 (Five) years from the date the VPT/ RCP is installed and made functional.
- The Universal Service Provider shall receive the Subsidy consisting of a front loaded subsidy component and equated annual subsidy upto a maximum period of five years, from the date the VPT/ RCP is provided and made functional.
- The front loaded subsidy shall be given at the end of the quarter in which VPT is installed and made functional. The equated annual subsidy shall be disbursed in four quarterly installments during each financial year, with each quarter ending on 30th of June, 30th of September, 31st of December and 31st of March.
- Deduction of pro-rata subsidy on account of telephones remaining faulty for more than seven days in a quarter. In cases where the VPT/ RCP remains faulty for 45 days or more in a quarter, no subsidy for the entire quarter shall be allowed.
- VPTs/ RCPs that register no incremental meter reading/ calls or remain disconnected due to non-payment during an entire quarter shall not qualify for subsidy support for that quarter.
- Roll out obligation: At least 20% of the VPTs/ RCPs shall be provided by the Universal Service Provider within one year from the effective date of the Agreement and a minimum of

60 % of VPTs/ RCPs shall be provided by the end of 2nd year. The balance of the VPTs/ RCPs shall be provided by the end of third year from the effective date of Agreement.

- For the shortfall in providing the required number of VPTs/ RCPs by the end of second and third year respectively, Liquidated Damages at the rate of 5% of front loaded subsidy payable for those VPTs/ RCPs for each calendar month of delay or part thereof, subject to a maximum of 10% of the front loaded subsidy thus payable for those VPTs/ RCPs shall be recovered, unless the delay has been condoned by the Administrator.
- The Universal Service Provider shall submit a Performance Bank Guarantee (PBG) valid for one year equivalent to front loaded subsidy disbursable under the Agreement for 20% of the VPTs/ RCPs in all the SSAs of the Service Area for which the Agreement is entered into.

From the start of the second year the amount of PBG shall have to be equivalent to the front loaded subsidy disbursable under the Agreement for 60% of the VPTs/ RCPs in all the SSAs of the Service Area for which the Agreement is entered into.

The PBG shall be reduced to its original amount from the start of the fourth year or on completion of the roll out obligation by installing all VPTs/ RCPs in all the SSAs of the Service Area for which Agreement is entered into, whichever is later.

For BSNL the requirement for submission of PBG has been waived as long as it is a 100% Government owned Company. The Performance Bank Guarantees are being presently maintained at USF HQs.

F4. Terms & Conditions for Rural Household DELs Installed Prior to 1.4.2002

- Support has been provided for Rural household Direct Exchange Lines (DELs) installed prior to 1.4.2002 to BSNL on the Terms and Conditions specified. No other Private Basic Service Operators has furnished any claim.
- The period of Subsidy support from Universal Service Obligation Fund is 1.4.2002 to 31.01.2004.
- Only the rural household DELs on Fixed line telephony Service including wireless in local loop technology (Fixed) qualify for subsidy support from USOF. Public telephones (PCOs/ VPTs) and WLL (Mobile) and other Mobile Services are NOT eligible for subsidy support from USOF.
- The Subsidy support from USOF for each rural household DEL is the difference between the monthly Rental prescribed by TRAI and the monthly Rental charged by the Service Provider.
- The rural household DELs that are closed permanently between 1.4.2002 to 31.1.2004, either on account of surrenders or on account of non-payment by the subscribers, shall be eligible to receive subsidy support from USOF from 1.4.2002 till the end of the month preceding the month in which they are closed.
- The subsidy support from USOF is to be disbursed in two installments – one, covering the financial year 2002-03 and the second installment covering the period 1.4.2003 to 31.01.2004.
- The source of information for filing the claim is the billing record.

F5. Agreement for Support to Rural Household DELs Installed during 1.4.05 to 31.3.07

- The Rural Household Direct Exchange Lines (RDELS) shall be provided in the specified short distance charging areas.
- The support to be given will comprise a front loaded subsidy and an equated annual subsidy where payable based on Capital Recovery annualized over a period of seven years and annual Operation and Maintenance expenditure for provision of the customer premises terminal equipment inclusive of the local loop minus the annual Revenue. Only the rural household DELs installed after the effective date of the Agreement, on fixed wire lines (Landline) and wireless in local loop technology (Fixed WLL) will qualify for subsidy support from USO Fund. Public telephones (VPTs/ PCOs/ RCPs), WLL (Mobile) and other mobile services will not be eligible for subsidy support from USO Fund under this Agreement.
- The Agreement shall be valid for a period of 5 years from 1.4.2005.
- The Universal Service Provider shall receive the Subsidy towards Rural Household DELs installed up to 31.03.2007. The equated annual subsidy where payable shall be paid from the date the rural household DEL is installed and made functional upto the validity period of the Agreement.
- The front loaded subsidy shall be payable only for net addition of rural household DELs in a local exchange area. Net additions shall mean the number of RDELS added after making adjustment for RDELS closed permanently on account of surrenders, non-payments or shifts out of the Local Exchange Area.
- The Universal Service Provider shall be eligible to submit the claim for front loaded subsidy at the end of the quarter in which the Rural Household DELs are installed and made functional. The equated annual subsidy where payable shall be disbursed in four quarterly installments during each financial year, with each quarter ending on 30th of June, 30th of September, 31st of December and 31st of March.
- Deduction of pro-rata equated annual subsidy on account of telephones remaining faulty for more than seven days in a quarter. In cases where the DEL remains faulty for 45 days or more in a quarter, no subsidy for the entire quarter shall be allowed.
- Where the Representative Rate for the Equated Annual Subsidy is zero, Rs. 250 (two hundred and fifty) shall be taken as the rate of Equated Annual Subsidy for the purpose of deduction on account of faults.
- Initially, the amount of Performance Bank Guarantee shall be Rs. 50 lakhs (Rs. Fifty Lakhs), to be submitted within seven days of issue of Letter of Intent.

For the 2nd and 3rd year of the Agreement, the amount of PBG shall be equivalent to 25% of the front loaded subsidy payable during the previous year or Rs.50 Lakhs, whichever is higher. From 4th year onwards and till the validity period of the Agreement, amount of PBG shall be Rs. 50 lakhs (Rs. Fifty Lakhs).

For BSNL the requirement for submission of PBG has been waived as long as it is a 100% Government owned Company.

- Roll Out: At least 100 rural household DELs should be provided within six months from the effective date of the Agreement in each of the SSA within the Service Area for which the Agreement is signed based on a waiting list to be maintained. After six months from the effective date of the Agreement, all wait-listed subscribers shall be provided with rural DELs within a period of three months of registration.

For the RDELS not provided as per the Rollout required to be achieved, without prior written concurrence of the Administrator, the delay period shall entail recovery of Liquidated Damages (LD).

- For Rural DELs installed during 1.4.2002 to 31.3.2005 similar Terms and Conditions would be applicable except that

- (i) Roll Out Obligation is not part of the Agreement,
- (ii) period of support will be for five years from the date of installation of the RDEL and
- (iii) quarterly claims for the period that's already elapsed can be submitted together.

F6. Agreement for Provision of Mobile Services (as per Part-B of the Scheme of the Tender for 'Setting up & Managing Infrastructure Sites and Provision of Mobile Services in Specified Rural and Remote Areas')

- The USP will provide the mobile services including other Wireless Access Services like Wireless on Local Loop (WLL) using Fixed/ Mobile terminals in the contracted cluster and manage the same during the entire period of the Agreement.
- The Administrator will permit the USP to share the infrastructure as set up under Part-A of the Scheme on payment of the Representative Rate.
- The Agreement is valid for six and a half years unless revoked earlier.
- The infrastructure created by IP in Part-A of the scheme shall be sharable by maximum three USPs to provide mobile services by installing respective BTSs and other associated equipment, and any other user as identified by the Administrator.
- USP shall enter into a Service Level Agreement (SLA) with the IP for five years period to ensure continued provisioning of services to the rural subscribers as per the broad parameters of SLA.
- The IP shall not charge any rental during his subsidy period of five years from the USP for using the infrastructure for provisioning of mobile services. However, operational expenses incurred by the IP for the routine maintenance of the created infrastructure including tower painting, tightening of nuts and bolts, AMC for the engine alternator, maintenance of electrical equipment, earthing, aviation light, general upkeep of the infrastructure site etc. as well as the recurring operational expenses for the consumables like electricity; diesel, security etc. shall be recovered from USPs using the infrastructure site as per mutually agreed terms and conditions between IP and USPs.
- The equipment so installed shall be owned by the USP. The USP shall retain the revenue generated from the operation of the mobile services.
- The terms and conditions of the BSO or CMTS or UASL License Agreement, as applicable, shall prevail and shall be binding *mutatis mutandis*.
- The Administrator or his authorized representative shall have the right to inspect the equipment installed by the USPs at the Mobile Services Sites so created for providing the mobile.
- The USP shall ensure that the rural connections as mentioned in the monthly report have actually been provided in the area being served by the BTS installed under the agreement with the USO Fund.
- The IP shall have to commission at least 50% of the Infrastructure Sites in each of the Cluster(s) within 8 months period of the signing of the Agreement and the remaining Infrastructure Sites within 12 months period of the signing of the Agreement.
- The USP shall provide the mobile services from each of the Mobile Services Sites within two months of the commissioning of the Infrastructure Site by the IP. IP shall submit a list of the infrastructure sites within two months period indicating the number of such sites to be installed during the first and second phase of the Roll out period of the Agreement.

F6.1 Where the USP is Making Payment to USOF or Where no Subsidy to/ Payment by USP is Involved

- The Universal Service Provider shall make the payment to USOF at aforesaid rates in four equal quarterly installments in arrears for a period of five years from the date Mobile Services

Site is commissioned. Along with quarterly payment, the USP shall submit a payment statement in the prescribed form.

- A penalty shall be payable by the USP on pro-rata basis on account of prolonged interruption of services due to any reason.
- Supporting documents shall be submitted along with the prescribed Payment Statement.

F6.2 Where Subsidy is Disbursable

- The Universal Service Provider shall receive the Subsidy from the date the Mobile Services Site is set up and commissioned. The subsidy shall be payable in four equal quarterly installments in arrears for a maximum period of five years within the validity period of the Agreement, from the date Mobile Services Site is commissioned.
- The USP shall be eligible to submit the first claim for quarterly subsidy at the end of the quarter in which the mobile services site is set up and successfully commissioned.
- The USP shall submit his claim for quarterly subsidy in a statement in the prescribed form showing the computation of subsidy for the quarter.
- The deductions in the subsidy of USP shall be made on pro-rata basis on account of prolonged interruption of services due to any reason. The USP shall furnish the details of interruption/ down time of services along with the claim statement as per proforma.
- Supporting documents shall be submitted along with the prescribed Claim Statement.

F.7 Agreement for Subsidy Support from USO Fund for Setting up & Managing Infrastructure Sites (as per Part-A of the Scheme of the Tender for 'Setting up & Managing Infrastructure Sites and Provision of Mobile Services in Specified Rural and Remote Areas')

- IP shall be solely responsible to set up, operate and maintain the Infrastructure Sites in the specified Cluster(s) for whole of the period of the Agreement.
- The Agreement is valid for six and a half years unless revoked earlier.
- The infrastructure so created under Part-A of the Scheme shall be sharable by the USPs selected by the Administrator for Part-B of the Scheme.
- During the period of validity of the Agreement, the IP shall permit sharing of the created infrastructure only with the USPs for Part-B of the scheme, who have entered into Agreements with Administrator or any other user as identified by the Administrator.
- The infrastructure so created shall be owned by the IP. The created infrastructure shall be sharable by maximum three USPs to provide mobile services by installing respective BTSs and other associated equipments for Part-B of the Scheme or any other user, as identified by the Administrator.
- The IP shall enter into a Service Level Agreements (SLA) with the USPs for five years period to ensure continued provisioning of services to the rural subscribers as per the broad parameters of SLA.
- The IP shall have to commission at least 50% of the Infrastructure Sites in each of the Cluster(s) within 8 months period of the signing of the Agreement and the remaining Infrastructure Sites within 12 months period of the signing of the Agreement.
- IP shall submit a list of the Infrastructure Sites within two months period indicating the number of such sites to be installed during the first and second phase of the Roll out period of the Agreement.
- The IP shall receive the Subsidy from the date the Infrastructure Sites is set up and commissioned. The subsidy shall be payable in four equal quarterly installments in arrears for a maximum period of five years within the validity period of the Agreement, from the date

Infrastructure Site is commissioned.

- The IP shall be eligible to submit the first claim for quarterly subsidy at the end of the quarter in which the infrastructure is set up and successfully commissioned as per Part-A of the scheme. IP shall submit a self-certificate giving details of infrastructure set up as per the proforma.
- The IP shall submit his claim for quarterly subsidy in a statement in the prescribed form along with two Attachments showing the computation of subsidy for the quarter.
- Supporting documents shall be submitted along with the prescribed Claim Statement

G. Checklist for Acceptance of Claims on Submission by the Universal Service Providers (USPs)

The following shall be satisfied before accepting the claims relating to various Agreements for further scrutiny before settlement:

- The claim is received within the time frame prescribed.
- The claim is received in the prescribed proforma and is complete in all respects.
- The Claim is accompanied by an Affidavit in the prescribed proforma.
- A stamped pre-receipted bill is also given along with the claim.
- Where claims are not routed electronically and submitted manually to the concerned CCAs, it may be ensured that:
 - (a) The initials of the representative authorized by the Company are available on each page of the claim.
 - (b) The Consolidation Sheet and last page of the claim statement carries the signature of the authorized representative with the Company seal.
 - (c) In addition to the hard copy, the claim is also submitted on Recordable CD (in read only form) with the signature of the authorized representative and seal of the company on the CD.
- The claim is accompanied by other relevant documents as specified under the Agreements.
- Action to be taken by the CCA/ Jt. CCA under the following conditions:
 - (a) Non- receipt of claims:
 - If the claim is not received within 30 days of the end of a particular quarter, a letter may be written to the USP for submission of the claim within 15 days along with valid reasons for delay, with a copy to Asst. Administrator (F) USF.
 - On receipt of claim within 45 days of the end of a quarter, the claim may be received giving in writing to the USP that the final settlement is subject to condonation of delay by the Administrator. The case should be forwarded to the Asst. Administrator (F) along with the reasons furnished by the USP for further necessary action.
 - In case of receipt or non-receipt of claims after 45 days, intimation of the same shall be sent to the Asst. Administrator (F), USF.
 - (b) Incomplete claims:
 - In case the claim statement including the annexures/ attachments pertaining to calculation of subsidy are complete, but other supporting documents are not submitted, such claims may be accepted after giving written intimation to the USP that the settlement will be subject to submission of the missing documents.
 - In case the claim statement, including the annexures/ attachments pertaining to calculation of subsidy, itself is incomplete, the claim may not be accepted.

H. Detailed Instructions for Verification of Claims

The relevant Financial Conditions of the Agreement and the Norms for Preparation of Subsidy Claims forming part of the Agreement may be referred to for manual verification of the claims and

calculation of subsidy payable. Some of the important aspects have been emphasized below to provide greater clarity.

- The hard copy and soft copies of the claims should match in terms of the matter contained in them. In case of mismatch, hard copy should be taken as authentic. The USP may be asked to furnish corrected soft copy.
- Check whether the representative rates for the SSA as per Financial Conditions, which is the per annum rate has been correctly indicated in the quarterly claims. In case the rates are not available, verify whether Administrative Orders/Amendments to the Agreement communicating the representative rates are available.
- The names of the SSAs as per the claim should match with the list of SSAs as per the Agreement with the concerned USP. In case of any mismatch a letter seeking clarification within a week shall be sent to the concerned USP with a copy to the Asst. Administrator (F) USF. The claim pertaining to an SSA, for which Agreement has not been entered into may be withheld pending a decision by USF HQs and the USP may be asked to take up the matter with the Dy. Administrator (T), USF HQ.
- Check whether the number of days in the quarter i.e., 90/ 91/ 92 as the case may be has been taken correctly for calculation of subsidy.
- Consolidation Sheet:
 - (i) Check whether the total No. of VPTs/ RCPs/ Rural DELs for which claim has been preferred and new installations under different technologies in each quarter tallies with the figures shown in the consolidation sheet.
 - (ii) Whether the Opening Balance of connections for the current quarter tallies with the closing balance shown in the Consolidation Sheet in the previous quarter's claim.
- Deduction of subsidy for period of fault:
 - (i) Check whether the period of fault pertains to the quarter for which the claim has been submitted
 - (ii) In case of more than one incidence of non-functioning in any category (fault/ DNP/ Non incremental meter reading), the total number of days under each category should be added up separately. For example, for the Q.E. 30.09.04, a VPT may remain

Faulty	01.07.04 to 03.07.04 (3 days)
	06.07.04 to 10.07.04 (5 days)
	18.07.04 to 01.08.04 (15 days)
DNP	13.07.04 to 17.07.04 (5 days)
	03.08.04 to 30.08.04 (28 days)

Total no. of days are:

 - (a) 23 days of fault – pro rata subsidy deduction for 23 days
 - (b) 33 days of DNP – No deduction
 - (iii) The fact that both days i.e., 'from' and 'to' have been included while calculating the no. of days should be verified. If the time of occurrence or rectification of fault is mentioned the same may be taken as full day.
 - (iv) In cases of fault for 45 days or more, the subsidy payable for that connection for the quarter will be zero, irrespective of the subsidy worked out for the operational period.
 - (v) In the case of Agreements where front loaded subsidy is payable, the deduction of subsidy due to non-functioning of connections will be made from Equated Annual subsidy admissible to the specific connection.
 - (vi) Numbers remaining DNP or registering No Incremental Meter Reading (NIMR) for the entire quarter are not entitled to any subsidy for that quarter. (Vide letter No. 30-107/2002-USF dated 10.09.04)
- If the date of installation/ date of replacement is not indicated, instead only month/ year is shown, the USP may be asked to furnish the details in DD/ MM/ YYYY.

- Where no representative rate has been prescribed for a particular SSA or Technology, the matter may be referred to the USO HQ.
- Liquidated Damages (LD) with reference to Roll-out Obligation shall be imposed based on the amount indicated by the Technical Branch of USO HQ.
- In the event of non-submission of the claims by 30th of the month following the quarter, the claim may be settled only after the delay in submission has been accepted by the Administrator, USF.
- (i) Under the Agreement for Operation and Maintenance of VPTs, the claim statement should be checked for the name of the same village or same telephone number along with same STD code being repeated more than once. Recurrence of village name could happen only in the event of there being more than one village with the same name. In such cases, the USPs have been instructed to clarify by providing Census code 1991 for such villages and providing suffix 1, 2, 3 etc. to the name of the village. Same pattern should be followed in subsequent claims. In the absence of a suffix and in cases of repetition of telephone numbers, the USP may be asked to rectify the discrepancies failing which such entries shall be disallowed. Such checking can be done easily by sorting the data provided in the CD ROM by village name and also VPT No.

(ii) In the case of routine replacements of VPTs other than MARR replacements eg., Landline to WLL, the representative rate of the existing technology or new technology (where specified) by which it is replaced, whichever is lower shall be payable from the date of replacement. Upto one day prior to the date of such replacements, subsidy shall be payable at the rate of the existing technology.

(iii) The clarifications regarding (a) duplications in VPT No. within a USPs claim and among USPs, (b) miscalculation of amount claimed by the USP, (c) non-submission of DNP List, (d) Claim being preferred for SSAs not specified in the Agreement and other points raised by the CCAs, issued vide 30-15/2002-USF Vol (II) dated 22nd April 2004 may also be observed in respect of duplication in VPT Numbers (having same STD code and VPT Number), indicating same date of installation or different date of installation. These may be working in the same or different village. Similarly in case of duplication in the village name within a USP, the claim for such VPTs should be settled after obtaining clarification from the USP.

(iv) While comparing the claims preferred by two USPs for same SSA, if common village names are found, claims for such VPTs may be withheld pending verification through billing records/ Census code and physical inspection where necessary carried out by a team consisting of representatives of both the USPs and CCA/ Jt. CCA. Both the USPs may be asked to furnish the Census code 1991 for such villages. If Census codes are different, the claim may be allowed providing a copy to Asst. Administrator (F) USF for information. In case the Census codes are same and billing records confirm the functioning of the connection, a physical inspection may be carried out on the instructions of the Technical Branch of USF, HQ. The claim may be allowed only after obtaining the approval of Administrator, USF.

I. Electronic Submission of Claims

Electronic Submission of USO claims has been introduced primarily to ensure accuracy and timeliness in settlement of claims, considering the huge volume of data involved. It has the added advantage of:

- (a) reducing the manpower requirement in filing of claims by the USPs as well as settlement of the same by DOT Units,
- (b) generation of various MIS reports from the master data stored in the system, and

(c) monitoring the claim preparation and submission process at any given point of time.

The preparation and subsequent submission of claims would be online using a software package developed by the National Informatics Centre (NIC). The package can be accessed through internet thus ensuring round the clock availability and accessibility.

A Personal Computer (PC) with minimum 128 MB RAM and 1.5 MHz clock-speed and Internet connectivity ensures speedy data transmission with the package. The USPs in the various Service Areas, the O/o Administrator, USF and the concerned O/o CCAs will be able to access the system for filing of the claims and verification of the same.

I.1. Online Claim Submission Procedure at a Glance

The package is available on the website <[www.http://usof.gov.in](http://usof.gov.in)>

Fields viz., name of the village would be part of the master data which cannot be altered in due course by the USP. Each village with VPT, RCP, PTIC and HPTIC will be referred to by a unique numeric code in an SSA, which would be generated by the system administrator.

Dynamic data relating to period of fault, technology updates and fields forming part of the master data in case of new installations is required to be keyed on a regular basis every quarter by the USP.

Estimation of subsidy payable, after taking into account the period for which subsidy is not payable, is done by the system on the basis of technology wise representative rates already available.

After completion of data by the SSA entry the claim is electronically submitted within the date specified. Once the claim is submitted changes cannot be carried out in the information furnished.

For each activity, SSA wise list of connections (VPT/ RCP/ PRIC/ HPTIC) installed till the date of onset of e-submission shall be prepared by USO HQ which will form part of master data and will be available to the user. In case of new installation of VPTs in uncovered villages and RCPs, the USP will key in the details as and when installed against the respective villages available in the master i.e. as the Agreement.

SSAs will submit the claims to the circles of USP, MIS generated on the basis of entries records will be generated by the package. These reports will be available to Circle CCAs and USO in view mode. The list of reports that will be available:

- a) Claim submission status which will indicate whether the SSAs/ Service Areas CCA have submitted the claim.
- b) Consolidation Sheet for individual SSA: This will provide technology wise opening and closing balance for a quarter along with subsidy admissible to the SSA.
- c) Consolidation Sheet for Service Area: It indicates the net subsidy admissible to all SSAs of a Service Area.
- d) VPT status at the end of Quarter for Service Area: This will indicate the number of VPTs on various technologies at the end of a quarter in all the SSAs of a Service Area.
- e) Detailed Claim Statement of individual SSAs.

The Authorized Signatory of the USP of a Service Area will sign the print out of the MIS Reports mentioned at (b), (c) and (d) above and submit to the concerned CCA.

The claims for all SSAs will be saved in a CD and the same will be signed and sealed by Authorized Signatory and submitted to the concerned CCA.

I.2. E-submission by Controllers of Communication Accounts

CCAs/ Jt. CCAs are responsible for the activities related to e-submission enumerated below:

- a) They can view claims and various reports available in the package.
- b) After viewing the necessary report, the claims of the concerned Service Area are to be submitted for viewing by USF Headquarters.
- c) Requisition for release of funds shall be submitted through the system, after incorporating the adjustments, wherever applicable, in the screen provided for the purpose. The same may be taken out in printed form and signed copy may be sent to Asstt. Administrator (F), USF-HQ. The intimation regarding authorization will also be online, against which the payment details may be entered and sent to USF via the software package.

J. Disbursement of Subsidy and Classification of Payments

Disbursement of subsidy shall be quarterly in arrears by cheque after making adjustments, if any, for the excess/ short payments made in the previous quarter. After verification of the claims, demand for funds shall be placed with the Administrator, USF clearly indicating the activity wise and Operator wise break up of subsidy payable in the prescribed format (Appendix III at the end of this chapter). The amounts shall be debited to the specified Head of Account under intimation to the Asst. Administrator (F), USF.

The O/o Controller of Communication Accounts acting on behalf of the Administrator, Universal Service Fund have been delegated the powers vested in the Administrator, USF to make disbursement of subsidy to the Universal Service Providers of the respective Circles subject to the limit of the amount allotted and in conformity to the conditions of the Agreement.

J.1. Heads of Account

The disbursement of subsidy to the Universal Service Providers will be booked under the new minor head "103 – Compensation to Service Providers for Universal Service Obligation" as approved in the accounting procedure.

Consequent to the approval of Ministry of Finance to the accounting procedure for accounting of transactions relating to USOF drawn by Controller General of Accounts, the following entries shall be made by the CCAs/ Jt. CCAs from the FY 2004-05 onwards:

- (a) On disbursing subsidy to the USP from USO Fund:
The expenditure will be booked under the new minor head "103 – Compensation to Service Providers for Universal Service Obligation" as approved in the accounting procedure. The payment to service providers (say Rs. XX) will be debited as follows:

Dr 3275-00-103(TACT Code 1515).....	Rs. XX
Cr 8670 (Cheques and Bills)	Rs. XX

- (b) After payments, corresponding amount will also be booked as deduct entry under the Head 3275 00 902 – Deduct amount met from USO Fund by debiting the Head 8235 00 118 – Universal Service Obligation Fund.

The following entries may be made:

(-) Dr 3275-00-902 (TACT Code 1508)	(-Rs. XX)
Dr 8235-00-118 (TACT Code 2821)	(Rs. XX)

It may be ensured that all the above accounting entries are passed and incorporated in the Circle Abstract of the month as well as in the Subsidy Booking Register (Appendix IV, Proforma C, at the end of this chapter).

Following actions are to be taken in the O/o CCAs regarding the transactions relating to USO Fund:

- a. Payments are made within a week of receipt of Authorization from USOF Administration except in exceptional circumstances, under intimation to Asst. Administrator (F).
- b. In case of any short payment, the balance amount is surrendered to Asst. Administrator (F).
- c. Payments made from the fund cannot be in excess of the amount authorized in any case.
- d. Transactions related to USO subsidy are booked under the concerned accounting Heads.

J.3. Maintenance of Records

Three registers given below shall be maintained in the O/o CCAs/ Jt. CCA under the supervision of the Head of the Office.

- a) Claim Submission Register: This register is intended to record the date of submission of the subsidy claims for every quarter for the various activities covered under USO (Appendix IV, Proforma – A).
- b) Subsidy Disbursement Register: This register is intended to record the disbursements made to the USPs (Appendix IV, Proforma – B).
- c) Subsidy Booking Register: This register is intended to record the booking of payments (Appendix IV, Proforma – C).

J.4. Submission of Returns

Since the disbursement of subsidy is being monitored at the highest level, instant communication of disbursement of subsidy by the O/o CCA to the O/o Administrator, USF is of utmost importance. Accordingly the following reports shall be sent to the Asst. Administrator (F) USF, Room No. 1411, DOT, Sanchar Bhawan, New Delhi by fax, followed by a postal confirmation:

- a) Intimation of Claim receipt: Immediately upon receipt of claim (in the first three columns of Appendix III, 1st Proforma)
- b) Requisition of Fund: Appendix III. Same shall be submitted to Asst. Administrator (F) USF, email ID dotuso@rediffmail.com.

J.5. Check List for Monitoring

Monitoring shall be with reference to the information furnished in the claims. The correctness of information furnished in the claims should be verified by the O/o the CCA from the billing records and exchange records of the USPs in the concerned Service Area soon after disbursement of subsidy. A 100% verification from the billing records is to be completed for VPTs claimed under the Agreement for Operation and Maintenance of VPTs and Replacement of MARR VPTs. Sample verification in the case of all the activities of the fault record, date of installation/ replacement and technology used shall be carried out based on the check list given below.

J.5.1 Parameters for Sample Verification

1. **Technology Used:** Where technology wise subsidy rate differs, the technology appearing in the records kept by the Universal Service Provider should match with the technology reflected in the claim statement.
2. **Date of Installation:** For the VPTs and other facilities installed after 1.4.2002, subsidy disbursement commences from the date of installation. The date of installation as shown in the records of the USP should therefore tally with the date shown in the claim statement.
3. **Date of Replacement of MARR VPTs:** The VPTs on MARR technology are being replaced in a phased manner. Subsidy support for the MARR VPTs from the date of their replacement are governed by a different Agreement. However, these MARR VPTs are eligible for subsidy towards Operating Expenses (OPEX) under the tender for Operation and Maintenance of VPTs upto one day prior to the date of their replacement at the representative rate for OPEX for MARR technology. It is therefore important that the date of replacement of MARR VPTs shown in the claim statement matches with the records maintained by the USP.
4. **Duration of fault:** The Agreement provides for deduction of subsidy on account of VPT remaining non-functional for more than 7 days in a quarter/ entire quarter. The duration of fault/ disconnection for non-payment/ VPT remaining non-functional for any other reason, should match with the duration shown in the claim statement.
5. In the Service Areas where agreements have been signed with two USPs for VPTs/ RCPs, the villages taken up for sample verification, also check if claim has been submitted by both the USPs for the same villages. If so, complete details including the date of installation by both the USPs, the village code as per Census 1991 and whether actually falling under the public telephone category shall be obtained from the billing/ commercial records and the matter referred to the Dy. Administrator (F), USF.

J.5.2 Sample Size for Monitoring

A minimum sample size of 5 % (selected at random) of the numbers claimed SSA wise for all the SDCAs in the SSA may be verified during the year. Specific cases where discrepancies have been observed during claim settlement may also be included in the sample.

The size of the sample may need to be increased depending upon the discrepancies noticed and time available at the disposal of the CCA/ Jt. CCA. The data required would be available at the SSA HQs and in the case of private BSOs at their Call Centres.

Each SSA in the Service Area should be visited for the purpose of sample check at least once a year.

The claim may be disallowed if the discrepancies noticed are not rectified within a reasonable period specified, and details forwarded to the Dy. Administrator (F), USF along with clarifications received, if any, from the Service Provider. A copy of the same may be forwarded to DDG (RN) Corporate Office in the case of BSNL and to the nodal officer in the case of private USPs.

J.5.3 Submission of Report on Monitoring

The CCA/ Jt. CCA shall submit a quarterly report of the visits conducted by the end of the following quarter to the Asst. Administrator (F) USF. Report from CCA offices in the format prescribed

(Appendix V at the end of this chapter) should be sent on quarterly basis. Nil report may be sent for the quarter if no inspection has been carried out.

In addition to visit to the SSAs for sample verification, the CCAs/ Jt. CCAs shall conduct physical inspection of facilities installed on a sample basis to include all the aspects specified in the Proforma for Physical Verification (Appendix VI at the end of this chapter). Random dialing of numbers to check whether the facility is operational or not may also be resorted to. If a telephone number is found to be non-operational, a note may be kept of the same, which shall be verified with the data on receipt of the claim for the quarter. The matter may then be taken up with the USP.

Focus of verification would be on billing data available in the SSA. Commercial record may be used only as supporting documents. While visiting an SSA, efforts should be made to obtain information for all the activities under USO.

K. Circulars, Orders and Letters

DOT No. 20-2/2002-RD/USO dated 18.02.2003
from Jt. DDG (GP), BSNL to Jt. Administrator (Tech.) USO, DOT

Subject: **Discrepancies in SSA Data**

As discussed on telephone, the discrepancy in respect of SSA data for the following circles may be treated as under.

Sl. No.	Name of Circle	Name of SSA given earlier	Name of SSA in which to be merged now
1.	Bihar	Hazipur	Muzaffarpur
		Khagaria	Darbhanga
		Samastipur	
		Kishanganj	Katihar
		Bettiah	Motihari
		Buxar	Arah
2.	Haryana	Faridabad	Gurgaon
3.	Kerala	Malapuram	Kalikat
4.	Madhya Pradesh	Bhind	Morena
5.	Tamil Nadu	Kumbha Konam	Tanjore
6.	UP (West)	Bullandshehar Noida	Ghaziabad

It is requested that the necessary corrections may kindly be carried out accordingly.

DOT No. 30-101/20 dated 03.07.2003
to M/s Tata Teleservices (Maharashtra)

Subject: **Modification in the Attachments to the Annexure II of the Agreement No. 30-101/2002-USF dated 31/03/2003 for subsidy disbursement for Operation and Maintenance of existing VPTs under Universal Service Obligation for Maharashtra Service Area.**

The Administrator, Universal Service Fund has decided to amend the Attachments to Annexure II of the above said Agreement to ensure proper and correct verification of subsidy payable.

2. Therefore, you are required to submit the claims for quarterly subsidy for the first quarter of year 2003-2004 onwards, in the Statements (modified Attachment pages 1/3, 2/3 and 3/3 to Annexure II to the Agreement) enclosed. These Attachments supersede the earlier Statements (Attachment pages 1/4, 2/4, 3/4 and 4/4 to Annexure II to the Agreement). The proforma for Affidavit as per Annexure II remains unchanged.

The hard copy of the Attachments is required to be signed by the Authorized Signatory of the Company. In addition to hard copy you should also submit the claim in the modified Statements appended with this letter on CD RDM in MS Excel format separately for each service area. The Authorized Signatory of the Company should also put his signature and seal of the

Company on the CD ROM Disc.

3. The above may please be noted for compliance.

Please acknowledge receipt of this letter.

Attachment 1/3 to Annexure II

STATEMENT OF SUBSIDY FOR OPERATION AND MAINTENANCE OF VPTS

Name of the Service provider																
Name of the Service Area																
Name of the SSA																
Quarter Ending																
Quarter Beginning																
1	2	3	4	5	6	7	8	9	10		11	12	13	14	15	16
Sl. No.	Name of village	VPT No. with STD code as prefix	Technology	Rep. Rate for qtr.	Date of Installation	Date of replacement	Technology used in replacement	STD code & VPT No. provided in replacement	Period of fault of the VPT		Remarks	No. of days of existence of VPT in the quarter	Subsidy payable for the period in col.no. 12	Total No. of days of fault	Subsidy deduction for fault (as per Agreement)	Net Subsidy payable (13-15)
									From	To						
Total (Net Subsidy Payable)																
<i>Note:</i>																
1. Please refer to the norms (Attachment 1/3 to Annexure II) for subsidy calculation)																
											Signature of authorized representative with Company Seal					

Attachment 2/3 to Annexure II

CONSOLIDATIONS SHEET							
NAME OF THE SERVICE PROVIDER:							
NAME OF THE SERVICE AREA:							
QUARTER ENDING:							
Sl. No.	Description	LL	MARR	WLL	VSAT	INMARSAT	Others (Pl. specify)
1	Opening Balance (VPTs at the beginning of the quarter)						
2	No. of VPTs installed during the quarter						
3	No. of VPTs replaced during the quarter						
4	Closing Balance (1+2+3)						

Attachment 3/3 to Annexure II

Norms for Preparation of Subsidy Claim for Operation and Maintenance of VPTs

1. The Universal Service Providers are required to enter data for all the VPTs for which a claim is being made in a quarter.
2. In case of villages with the same name in a SSA numbers 1, 2, 3 and so on should be suffixed to the name of the village. For example, Rampur 1, Rampur 2 and Rampur 3 in order to identify them as three different villages with the same name.
3. The claim for subsidy should be submitted in the prescribed format in a CD ROM with the signature of the authorized signatory of the company on the disc. A hard copy of the same shall also be submitted containing the initials of an officer authorized by the Company for this purpose on each page. The last page of the claim statement and the Consolidation Sheet should contain the signature of the authorized representative with Company Seal.

4. The VPTs should be grouped technology wise. Under each technology the VPTs should be listed in order of their date of installation and those installed before 1.4.2002 should be shown in the beginning (sorted in ascending order by VPT No.), followed by new installations and replacements.
5. MARR VPTs on their replacement shall not be eligible for subsidy under this tender from the date of replacement.
6. VPTs on any technology other than MARR, will be eligible for OPEX only at the representative rate of the new technology or the technology on which it was working prior to replacement, whichever is lower. Such VPTs should be reflected with the same serial no. as the earlier VPT for the purpose of easy identification and to avoid dual counting of the VPTs.
7. In case there is a change in the VPT No. on replacement, the new No. should be indicated in column No. 9. In the subsequent quarters the VPT shall be identified by the new No.
8. In all such cases other than MARR where a VPT is replaced by another technology, 'Replacement of LL/ WLL/ etc.' may be indicated in the Remarks column (Column 11) against such VPTs in every quarterly claim. No other entry/ comments may be made in the 'Remarks' Column.
9. All the dates in the subsidy claim should be presented as DD/ MM/ YYYY uniformly throughout the claim.
10. Rough work, corrections or overwriting in the claim statement will not be allowed. The statement should be submitted in original. Illegible photocopies will not be accepted.
11. Only claims submitted SSA wise as per the list of SSAs provided in the Tender Document/ Agreement shall be accepted. Claims submitted separately for Revenue Districts or any other category shall be rejected.
12. Date of installation of VPTs installed prior to 1.4.2002 if not known may be shown as 31.03.YYYY (YYYY representing the year of installation).
13. Wherever no representative rate has emerged from the bid process, such cases should be submitted separately in the prescribed format along with the consolidation sheet for a decision on the rates applicable in terms of condition No. 17.2 of the Agreement.
14. Calculation of Subsidy:
 - i) The No. of days of existence of the VPT (column No. 10) shall be:
 - In the case of new installations - from the date of installation to the end of the quarter, with the date of installation also being counted.
 - In the case of MARR replacements - from the beginning of the quarter to one day prior to the date of replacement.
 - In the case of other VPTs - total number of days in the quarter.
 - ii) Actual number of days in the quarter may be taken for calculation of subsidy i.e., 90 or 91 or 92, as the case may be.
 - iii) For calculation of pro-rata subsidy actual number of days in the quarter shall be considered i.e.,

$$\text{Subsidy for the quarter} \times \frac{\text{actual number of days of existence of the VPT in the quarter}}{\text{No. of days in the quarter}}$$
 - iv) In the event subsidy to be deducted for period of fault of 45 days or more (particularly in the case of VPTs replaced during the quarter), is more than the subsidy claimed for the quarter for that VPT then, the subsidy deduction shall be restricted to the amount claimed.
 - v) For deduction of subsidy for duration of fault, both 'from' & 'to' will be included.
 - vi) Rounding off to the nearest Rupee shall be done only in the total and not in individual cases. In individual cases the figures may be restricted to two decimal points

DOT No. 30-101/2002-USF(Vol.IV) dated 10.07.2003
To BSNL

Subject: Financial Conditions (Part-IV) of the Agreement No.30-101/2002-USF dated 28.3.2003 for Subsidy Disbursement for Operation and Maintenance of existing VPTs under under Universal Service Obligation for Maharashtra Service Area – inclusion of name of Aurangabad SSA at SI. No.4 in condition 17.1

An inadvertent error crept in condition No.17.1 in the above said Agreement where the name of Aurangabad SSA at SI. No. 4 which contain 947 VPTs on MARR Technology and 17 VPTs on CDOT-PMP technology, did not appear.

2. Therefore, Administrator has decided to modify condition No.17.1 of Financial Conditions (Part IV) which is appended hereto. This amendment shall form part and parcel of the Agreement No.30-101/2002-USF/Vol.IV/II dated 28.2.2003 for the operation and maintenance of existing VPTs in Maharashtra Service Area.

3. The enclosed amendment has been signed on behalf of Administrator. Each page of the above said amendment is to be signed by the Authorized signatory of the company (affixing rubber stamp and common seal of the Company) in token of acceptance of the amended condition 17.1 of the Agreement. One signed copy may be retained and the second signed copy may be returned to the undersigned.

Amendment No.1
Agreement No.30-101/2002-USF/Vol.IV/II dated 28.3.2003
For Operation and Maintenance of existing VPTs in Maharashtra Service Area

Amended Condition: 17.1

"17.1 SSA-wise representative rate, at which subsidy is disburseable, shall be as follows

Sl. No.	Name of SSA	Total No. of VPTs	Technology	Representative Rate per VPT per annum (In Rs.)
1	AHMEDNAGAR	1119	LAND LINE	3300
		245	MARR	5900
2	AKOLA	528	LAND LINE	2900
		716	MARR	5500
3	AMRAVATI	557	LAND LINE	3100
		835	MARR	5600
4	AURANGABAD	947	MARR	5400
		17	CDOT-PMP	4700
5	BEED (BIR)	207	LAND LINE	2900
		973	MARR	5400
6	BHANDARA	238	LAND LINE	2800
		916	MARR	5400
7	BULDHANA	349	LAND LINE	2900
		744	MARR	5400
8	CHANDRA PUR	166	LAND LINE	2900
		696	MARR	5500
		166	CDOT-PMP	4800
9	DHULE	599	LAND LINE	3100
		640	MARR	5600
10	GADCHIROLI	65	LAND LINE	3000
		420	MARR	5500
11	GOA	322	LAND LINE	3000
		66	MARR	5500
12	JALGAON	969	LAND LINE	3100
		446	MARR	5700
13	JALNA	123	LAND LINE	3000
		819	MARR	5500
14	KOLHAPUR	788	LAND LINE	2800
		396	MARR	5300
15	KALYAN	510	LAND LINE	2800
		598	MARR	5300
		2	CDOT-PMP	4600
16	LATUR	227	LAND LINE	3000
		584	MARR	5500
17	NAGPUR	655	LAND LINE	2900
		690	MARR	5400
18	NANDED	685	LAND LINE	2900
		434	MARR	5500
19	NASIK	798	LAND LINE	3200
		663	MARR	5800
20	PARBHANI	236	LAND LINE	3000
		1023	MARR	5600
21	PUNE	754	LAND LINE	3200
		363	MARR	5800
		19	CDOT-PMP	5100
22	RAIGAD	1017	LAND LINE	3000
		619	MARR	5500
23	RATNAGIRI	341	LAND LINE	2700
		312	MARR	5200
24	SANGLI	677	LAND LINE	2800
		42	MARR	5400
25	SATARA	826	LAND LINE	2900
		637	MARR	5500
26	SINDHDUDURG	264	LAND LINE	3000
		249	MARR	5500
27	SHOLAPUR	765	LAND LINE	3200
		364	MARR	5800
28	WARDHA	314	LAND LINE	2700
		544	MARR	5200
29	YAVEOTMAL	352	LAND LINE	3100
		801	MARR	5700
		19	CDOT-PMP	5000
30	OSMANABAD	207	LAND LINE	2700
		434	MARR	5200

Provided that, the representative rate of subsidy shall be reviewed during the third year of the Agreement, as STD facility would have been provided on the VPTs as per recommendations of the Regulator. The modified rate of subsidy will be

determined based on the review taking into consideration inter-alia, the increase in revenue receipts due to provision of STD facility. The modified representative rate for subsidy support based on review shall be applicable from the 4th year of the Agreement.

DOT No. 30-109/2003-USF dated 28.08.2003

To Bharti Telenet Ltd.

Subject: Representative Rate for Subsidy support towards Operation and Maintenance of VPTs in Madhya Pradesh Service Area provided as obligation in terms of Basic Service License Agreement No.17-12/95-BS-II/Madhya Pradesh dated 28.12.1997

Please refer to your letter dated 14.7.2003 seeking clarification on the applicable Representative rate in respect of VPTs provided by you in Bhopal, Chhatarpur, Guna, Rewa, Dhar and Vidisha SSAs.

2. With regard to above, you are advised to see the stipulation in the 'Note' under the condition 17.2, Part-IV Financial Conditions of the Agreement No.30-101/2002-USF dated 28th March, 2003.

3. It has been decided that the Representative rates for subsidy support towards Operation and Maintenance of VPTs in the following SSAs provided in the 1991 Census villages will be as below:

Sl. No.	Name of SSA	Technology	Representative Rate (in Rs.)
1	BHOPAL	WLL/GSM	4900
2	CHHATARP	WLL/GSM	5000
3	GUNA	WLL/GSM	5000
4	REWA	WLL/GSM	4900
5	DHAR	WLL/GSM	5000
6	VIDISHA	WLL/GSM	5000
7	BILASPUR	WLL/GSM	5300
8	DURG	WLL/GSM	4900
9	JABALPUR	WLL/GSM	5000
10	SATNA	WLL/GSM	4900
11	UJJAIN	WLL/GSM	5000
12	RAISEN	WLL/GSM	5100
13	RAIPUR	WLL/GSM	5300

4. The Administrator (USF) has decided the above Representative rate in terms of Condition No.17.2 of Financial Conditions (Part-IV) of the Agreement No.30-101/2002-USF dated 28th March, 2003 for the operation and maintenance of existing VPTs in Madhya Pradesh Service Area.

DOT No. 30-15/2002-USF dated 12.09.2003

To the Controller of Communication Accounts Andaman & Nicobar, Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, North East, Orissa, Punjab, Rajasthan, Tamil Nadu, UP (East), UP (West), West Bengal

Subject: Transfer of Work relating to Disbursement of Subsidy towards Universal Service Obligation and Monitoring of Information furnished in the Claims

Approval is hereby conveyed for transfer of the work relating to Disbursement of Subsidy towards Universal Service Obligation (USO) to the Controller of Communication Accounts of the respective Telecom Circles. This will also include monitoring for the purpose of verification of information furnished in the claims in terms of the check list provided and the sample size determined by the USF branch. The decentralization shall be effective from the quarter ending September 2003, for which the claims are due in October 2003.

2. The guidelines for implementation of Universal Service Support Policy has bifurcated the implementation of USO into two clearly identifiable streams i.e., Stream – I and Stream – II. Stream I involves provision of Public Telecom and Information Services as below:

(a) Operation and Maintenance of VPTs in villages identified as per 1991 Census and installation of VPTs in the additional villages identified as per 2001 Census

(b) Replacement of MARR VPTs installed before 1.4.2002.

(c) Provision of additional Rural Community Phones in villages with population exceeding 2000, after achieving the target of one VPT in every village.

(d) Upgradation of VPTs to Public Tele Information Centres (PTICs) and

(e) Installation of High Speed PTICs (HPTICs)

Stream II covers Rural Household DELs installed in identified Net High Cost SDCAs

(a) prior to 1.4.2002 and

(b) installed after 1.4.2002.

2.1 While VPTs installed as per Census 1991 and Rural Household DELs installed prior to 1.4.2002 will be eligible for subsidy support towards Operation and Maintenance Expenditure only, the subsidy support for other activities shall comprise both Capital recovery as well as Operating Expenses.

A copy of Guidelines for Implementation of Universal Service Support Policy is at Annexure I. It is also available on DOT website www.dotindia.com.

3. Implementation of USO shall be in a phased manner. The Agreements for disbursement of subsidy for Operation and Maintenance of VPTs identified as per 1991 Census has already been entered into, and the tender for Replacement of MARR VPTs is under finalization. The other activities covered under USO shall follow thereafter.

4. A copy of the Financial Conditions (Part IV) forming part of the Agreement for Subsidy Disbursement for Operation and Maintenance of VPTs is enclosed at Annexure II. Instructions for the settlement of claims for MARR VPTs shall follow after the Agreements are entered into. The broad outline of activities to be undertaken is summarized below. The manual of instructions for disbursement of subsidy claims to be followed shall be handed over during the workshop to be held on 25th and 26th September, 2003 in New Delhi.

I. Date of Effect:

The date of effect of transition of work to the O/o CCA is 01.10.2003, where after the claims for the quarter ending September 2003 shall be due for submission. The claims for Operation and Maintenance of VPTs for the financial year 2002-03 have already been settled by the O/o Administrator USF. The final settlement of claims for 2002-03 and the claims for the first quarter of 2003-04 for which an advance payment has been made to the USPs would be done centrally.

II. Check list for Settlement of Claims:

The relevant conditions forming part of the Agreement may be referred to for verification of claims. These are reiterated below:

Condition 18.2: The Subsidy to the Universal Service Provider (USP) is disbursed in four quarterly installments during each financial year. Each installment shall be disbursed quarterly in arrears within 30 days of the commencement of the following quarter, for the VPTs maintained upto the close of the previous quarter, subject to submission of a valid claim.

Condition 18.3: The Universal Service Provider is required to submit the claim for quarterly subsidy in a statement in the prescribed form (revised Proforma for submission of claim is at Annexure III.) showing the computation of subsidy for the quarter, by 15th of the month following the quarter. A representative of the USP authorised by the Board resolution shall duly certify the claim with an Affidavit on stamp paper.

Condition 18.4: The aforesaid quarterly Statements of each year shall be required to be audited by the Auditors of the Universal Service Provider appointed under Section 224 of the Companies Act, 1956. The report of the Auditors should be in the prescribed form given in **Annexure IV** to be filed with the Administrator within 7 calendar days of the date of signing of the Audit Report but not later than 30th September of the following financial year.

Condition 18.5: Subsidy shall be deducted proportionately for VPTs remaining faulty (including those disconnected for non-payment) for more than 7 days in a quarter but less than 45 days. For VPTs remaining non-functional for 45 days or more in a quarter, subsidy for the entire quarter shall be deducted.

Condition 18.6: A stamped pre-receipted bill shall accompany all the claims for subsidy.

Condition 18.10: The disbursement of subsidy shall be made for the period of the Agreement, unless terminated or revoked earlier. Provided further, that MARR VPTs on replacement shall not be eligible for subsidy under this Agreement, from the date of their replacement.

Other Instructions

- All claims shall be in the prescribed format containing the initials of an officer authorized by the Company for this purpose

on each page. The last page of the claim statement and the Consolidation sheet should contain the signature of the authorized representative with Company Seal. In addition to the hard copy, the claim shall be submitted on CD ROM with the signature of the authorized representative and seal of the company on the Disc.

- The claims submitted should be in accordance with the 'Norms for Preparation of Subsidy Claim for Operation and Maintenance of VPTs' already circulated to all the USPs. Copy at Annexure V.
- In the event of non-submission of the claims by 15th of the month following the quarter, the O/o CCA shall issue reminder to the concerned USP for early submission of the claim.
- Wherever representative rates are not available either in Financial Conditions of the Agreement or in Administrative orders issued thereafter, the cases shall be referred to the O/o the Administrator, USF for decision on the rates applicable in terms of condition 17.2 of Part IV, Financial Conditions.

III. Disbursement of Subsidy:

Disbursement of subsidy shall be quarterly in arrears by cheque after making adjustments, if any, for the payments made in the previous quarter. The O/o Controller of Communication Accounts acting on behalf of the Administrator, Universal Service Fund have been delegated the powers vested in the Administrator, USF to make disbursement of subsidy to the Universal Service Providers of the respective Circles subject to the limit of the amount allotted and in conformity to the conditions of the Agreement.

IV. Classification of Payments:

The disbursement of subsidy to the Universal Service Providers shall be booked under the head of Account "3275 00 800 04 – Compensation to Service Providers under USO". The complete classification of the head is as follows.

Numeric Code	Head of Account
3275	Other Communication Services
800	Other Expenditures (Minor Head)
04	Compensation to Service Providers under USO

V. Submission of Returns:

Since the disbursement of subsidy is being monitored at the highest level, instant communication of disbursement of subsidy by the O/o CCA to the O/o Administrator, USF is of utmost importance. Report of disbursements, as soon as disbursements are made in the proforma at Annexure VI shall be sent to the Asst. Administrator(F) USF, Room No. 1411, DOT, Sanchar Bhawan, New Delhi on the same day by fax, followed by a postal confirmation. On completion of disbursements for a quarter, a consolidated report for the quarter in the proforma mentioned above shall be sent to the O/o Administrator, USF. After settlement of the claims a copy of Attachment 2/3 to Annexure II (Consolidation Sheet) of the claims, after duly verifying the correctness of the data with reference to the claim, shall be sent to the Asst. Administrator (F) USF, DOT, along with the Report of disbursements by fax, followed by a postal confirmation, in order to facilitate timely submission of required information to Parliament, TRAI and other agencies.

VI. Calculation of Interest on Excess Payments:

In terms of conditions 18.8 and 18.9 of Part IV, Financial Conditions of the Agreement, final adjustment, if any in respect of excess or shortage in the subsidy disbursed shall be made in the following year, based on the quarterly Statements, duly certified by the Auditors of the Universal Service Provider. In case the total amount disbursed for a financial year, based on the quarterly self-assessment claims of the USP, results in excess payment by more than 10% of the actual subsidy due to him, the entire amount of excess payment shall be recovered along with an interest at the Prime Lending Rate (PLR) of State Bank of India, prevalent on the day the respective disbursement was made. The interest shall be compounded monthly and a part of the month shall be reckoned as a full month for the purposes of calculation of interest. The excess payment together with interest shall be recovered by way of adjustment from the further subsidy due to the USP, in case it is not refunded by the USP. No interest shall be payable by the Administrator for the short claims, if any made by the USP under the self-assessment claims.

VII. Maintenance of Records:

- Claim submission Register: This register is intended to record the date of submission of the subsidy claims for every quarter for the various activities covered under USO.(Format is at Annexure VII)
- Subsidy Disbursement Register: This register is intended to record the disbursements made to the USPs on a day to day basis and the format is at Annexure VIII.

VIII. Monitoring with Reference to Information Furnished in the Claims:

In order to verify the authenticity of information furnished in the claims, the O/o the CCA is required to conduct visits to the offices and exchanges of the field units of the USPs in the concerned Service Area (Telecom Circle) soon after disbursement of subsidy. Sample verification of the fault record, date of installation/replacement and technology used shall be carried out based on the check list drawn up for this purpose which will be sent subsequently. The O/o the CCA may also at a later stage

be asked to scrutinize the reports submitted by monitoring agencies appointed for this purpose in the concerned Service Area.

IX. Submission of Report on Monitoring:

The O/o the CCA on completion of visits to the SSAs for verification of data furnished in the claims shall furnish a consolidated report for the Service Area giving SSA wise details. The report shall clearly highlight accuracy of information maintained in the field units with reference to the data furnished in the claims.

X. List of Documents to be handed over to the O/o CCA:

The following documents will be handed over to the representative of the O/o CCA who shall personally receive the same under acquittance.

- (i) Copy of Agreements signed with USPs of respective Service Area.
- (ii) Amendments and Administrative orders issued thereafter having a bearing on the conditions of the Agreement.
- (iii) Checklist for monitoring with reference to information furnished in the claims.

XI. Powers of O/o CCA vis-à-vis USPs:

No action like suspension, revocation, termination or extension of Agreement as specified in Part I, General Conditions shall be initiated by the O/o CCA against the USPs in terms of the conditions of the Agreement and its amendments thereof.

This issues with the approval of Member (F).

ANNEXURE I

Guidelines for Implementation of Universal Service Support

The New Telecom Policy '99 envisaged provision of access to basic telecom services to all at affordable and reasonable prices. The resources for meeting the Universal Service Obligation (USO) shall be generated through a Universal Service Levy (USL), at a prescribed percentage of the revenue earned by the operators holding different type of licenses. Further, NTP-99 envisaged implementation of Universal Service Obligation for rural and remote areas through all Basic service providers who will be reimbursed from the funds collected by way of USL. Other service providers shall also be allowed to participate in USO provisioning subject to technical feasibility and shall be similarly reimbursed out of the funds of USL.

2. It has been decided to extend support to the Universal Service from the Financial year 2002-03 and the following are broad guidelines for implementation of Universal Service Support Policy:

- i) The funds created by the Universal Service Levy shall be spent in rural and remote areas on both the public access telephones or Community telephones meant for public use and individual household telephones in net high-cost rural/ remote areas.
- ii) The support from Universal Service Fund will be provided to meet Net Cost (i.e. Cost minus Revenue) of providing the universal service.
- ii) In the event of an increase in the requirement of Universal service Obligation (USO), the percentage of contribution towards USL can be raised to meet such additional requirement but the added levy will be drawn out of the prevalent percentage of license fee keeping the ceiling intact and as such, will not cause any additional burden either on the service providers or the consumers.
- iv) The implementation of USO will be divided into two clearly identifiable streams:

A) Stream-1:

Provision of Public Telecom and Information services:

- a) **Installation of VPTs in the remaining villages.** For installation of VPTs in the 6,07,491 villages, identified as per 1991 census which were required to be covered by 31.3.2002, no reimbursement towards Capital recovery shall be admissible and given. However, the Net Cost towards operating expenses of these VPTs will be reimbursed. For the remaining villages, i.e. additional revenue villages identified as per 2001 Census, the Net Cost towards both, the annual capital recovery as well as annual operating expenses will be allowed as a support from the USF.
- b) **Provision of additional rural community phones in areas after achieving the target of one VPT in every village.** The second public phone will also be installed in villages where population exceeds 2000. These may be provided in public places such as schools, primary health centers etc and for the purpose of support from the USF, the Net cost towards both annual capital recovery as well as annual operating expenses will be allowed.
- c) **Replacement of VPTs installed before 1.4.2002.** A large number of VPTs working on MARR Systems will, in the first instance, be required to be replaced to ensure their reliable operation. The BSOs will be required to draw up a yearly plan for replacement of such VPTs and support from USF will be allowed towards both the annual capital recovery as well as annual operating expenses.
- d) **Upgradation of VPTs to Public Telecom and Info Centers (PTICs).** It shall be endeavoured to provide, by the year 2004, for data transmission facilities within 5 Kms of every village and at least in all those villages where regular post offices are located. The reimbursement from the USF will be towards Net Cost that may arise if the PTICs are engineered by upgrading an existing VPT, with the minimum configuration of i) a PC, ii) a Modem and iii) an UPS. Both capital and operational cost will be taken into account to determine the quantum of support from USF. A phased programme will be drawn and implemented to upgrade about 35,000 VPTs to function as PTICs by end of year 2004.

e) **Installation of High Speed PTICs (HPTICs)** by upgrading the existing VPTs to provide wide band applications like tele-education and tele-medicine based on two basic channels i.e. 128 Kbps. In the first phase by 2004, about 2 HPTICs shall be set up in each SDCA, Both capital and operational costs will be taken into account to determine the quantum of support from USF.

B) Stream-II:

Provision of household telephones in net high cost areas (rural/ remote). For Stream II, the cost of service in the SDCAs will comprise the capital recovery and operating expenses in respect of the access network, developed for DELs installed after the specified date. Per line net cost will be worked out on the basis of SDCA average. At the beginning of each Financial Year, the service providers would indicate their SDCA-wise roll-out plan including projected cost and revenue. The rural SDCA as per list issued by Department of Telecommunications shall be treated as rural SDCA for this purpose. The subsidy will be automatically withdrawn as soon as any SDCA's net cost becomes zero i.e.; it becomes a revenue surplus area.

v) While the implementation of stream-I and stream-II would be simultaneous, stream-I, i.e. stream relating to provision of common access (VPTs & PTICs) will receive priority. However, the support (towards OPEX only) to rural house-hold DELs provided prior to 1.4.2002 in the rural SDCAs shall be given along with stream-I. (Amendment dated 3.2.2003)

vi) The details as required and decided by DOT shall be furnished by the BSOs in regard to installation of Rural Community Phones and Replacement of VPTs by such dates as may be determined from time to time by DOT. These shall amongst others include number of VPTs to be replaced/ installed with details of their locations, technology employed, distance from exchange and Average Revenue per VPT etc.

vii) The implementation of Universal Service Obligation shall be through a multi-layered bidding process on the Least Quoted Subsidy support basis. For this purpose, the first round of bidding will be amongst the existing Access providers (BSOs and CMSPs) of the concerned Service area. Where no bids are received from any of the BSOs/ CMSPs in the concerned service area, or the lowest bid is higher than the benchmark, then a fresh round of bidding shall be called from where all the BSOs and CMSPs in the country including the ones in the concerned service area as well as their franchisees. However, the award of contract as a result of bidding process will not be treated and taken as grant of fresh license under Indian Telegraph Act 1885.

viii) The existing Service Areas as defined in the Basic Services Licenses shall be the unit of bidding for US support. The bids shall be called for separately, for each Service Area or part thereof

(ix) The lowest bid, offering the least subsidy shall be accepted subject to a ceiling of the benchmark cost as determined by DOT. A subsidy higher than the benchmark shall not be accepted, and may either call for negotiations or further round of bidding.

(x) For calculation and estimating benchmark cost, fully allocated current costs method shall be adopted, considering the most effective solution for a particular location; area. For operating expenses, the costs will be calculated on the basis of operations run most efficiently.

(xi) A separate fund for crediting the receipts towards USO is being set up and will be presently administered by the DoT.

xii) The Universal Service Support shall be reimbursed on the basis of the actual physical performance. Such reimbursements shall be made on completion of the targets and after necessary verification of the same. Liquidated Damages shall be imposed in accordance with devised scheme for any shortfall in the achievement of targets.

xiii) The DoT or its authorized representative shall have the right to inspect the sites used for extending the service.

xiv) The DoT will ordinarily carry out all inspections after reasonable notice except in circumstances where giving of notice is not feasible or will defeat the very purpose of inspection. In such event, an inspection will be undertaken without prior notice.

xv) The DoT reserves the right to modify these guidelines or incorporate new guidelines considered necessary in public interest, security, and for proper conduct of telegraphs.

xvi) The detailed terms and conditions applicable to the bidding process shall be given separately.

ANNEXURE II

PART – IV FINANCIAL CONDITIONS

17.0 Subsidy from Universal Service Fund (USF)

17.1 SSA-wise representative rate, at which Subsidy is disbursable, shall be as follows :

(As per Agreement)

Provided that, the representative rate of subsidy shall be reviewed during the third year of the Agreement, as STD facility would have been provided on the VPTs as per recommendations of the Regulator. The modified rate of subsidy will be determined based on the review taking into consideration inter-alia, the increase in revenue receipts due to provision of STD facility. The modified representative rate for subsidy support based on review shall be applicable from the 4th year of the Agreement.

17.2 The Universal Service Provider shall receive the Subsidy from the date of the operation and Maintenance of the VPTs or 1.4.2002, whichever is later.

NOTE: For the VPTs which are yet to be installed in the uncovered villages in the Service Area as per Census 1991, subsidy towards

OPEX at the representative rate of the technology as established through the bidding process or the benchmark indicated in the tender as applicable, shall also be given with effect from the date, such VPTs are physically installed and made operational. The technology adopted should be the most suitable and cost effective for that SSA. The decision of the Administrator in this regard shall be final. The Representative rate for all wireless technologies and CDOT PMP shall be the Representative rate for WLL in the SSA. Representative rate for V-SAT and INMARSAT technologies shall be considered only in the event no other technology is feasible.

18.0 Schedule for Disbursement of Subsidy

18.1 For the purpose of the disbursement of funds from USF the 1st year shall end on 31st March, following the date of commencement of the Agreement and the disbursement for the First year shall be determined on a pro-rata basis for the actual duration of the "year". From second year onwards the year shall be of Twelve English calendar months from 1st April to the 31st March.

EXPLANATION: The disbursement of funds for the first quarter of the first year and last quarter of the last year of the Agreement will be computed with reference to the actual number of days after excluding the other quarters, each being of three months.

18.2 The Subsidy from USF shall be disbursed in four quarterly installments during each financial year. Each installment shall be disbursed quarterly in arrears, generally within thirty days of receipt of a valid claim for the VPTs maintained up to the close of the previous quarter.

18.3 The Universal Service Provider shall submit its claim for quarterly Subsidy in a STATEMENT in the prescribed form given as Attachments to Annexure II showing the computation of Subsidy for the quarter, by 15th of the month following the quarter. The claim shall be duly certified with an Affidavit (as per Annexure II) by a representative of the Universal Service Provider duly authorized by a Resolution of the Board of Directors.

18.4 The aforesaid quarterly STATEMENTS of each year shall be required to be audited by the Auditors of the Universal Service Provider appointed under Section 224 of the Companies' Act, 1956. The report of the Auditors should be in the prescribed form given in Annexure III to be filed with the Administrator within 7 (seven) calendar days of the date of signing of the Audit Report but not later than 30th September of the following financial year.

18.5 The VPTs that remain faulty for more than 7 (seven) days in a quarter, shall not be reckoned for the purpose of disbursement of full subsidy from USF, and subsidy payable shall be reduced proportionately for the total number of days they remained faulty during the quarter.

Provided further, that if a VPT remained faulty for 45 (forty five) days or more during the quarter, subsidy for the entire quarter for that VPT shall not be disbursed.

18.6 All claims for Subsidy shall be accompanied by a stamped pre-receipted bill. Disbursement of Subsidy shall be by cheque, through the Office of the Administrator or Controller of Communication Accounts, of the respective Telecom Circles or any other designated Authority.

18.7 The Administrator shall pay the subsidy for a quarter after making adjustments, if any, for the payments made in the previous quarter.

18.8 Final adjustment, if any in respect of excess or shortage in the Subsidy disbursed shall be made in the following year based on the quarterly Statements duly certified by the Auditors of the Universal Service Provider.

18.9 In case the total amount disbursed for a financial year, based on the quarterly self-assessment claims of the Universal Service Provider, results in excess payment by more than 10% of the actual Subsidy due to him, the entire amount of excess payment shall be recovered along with an interest at the Prime Lending Rate (PLR) of State Bank of India, prevalent on the day the respective disbursement was made. The interest shall be compounded monthly and a part of the month shall be reckoned as a full month for the purposes of calculation of interest. (Month for this purpose shall be taken as an English calendar month). The excess payment together with interest shall be recovered by way of adjustment from the further subsidy due to the USP, in case it is not refunded by the USP. No interest shall be payable by the Administrator for the short claims, if any made by the USP under the self-assessment claims.

18.10 The disbursement of Subsidy shall be made for the period of the Agreement, unless terminated or revoked earlier. Provided further, that MARR VPTs on replacement shall not be eligible for Subsidy under this Agreement.

18.11 The relevant records of the Universal Service Provider shall be subject to such scrutiny as may be prescribed by the Administrator so as to facilitate independent verification of the amount due to the USP as subsidy.

18.12 The Administrator, to ensure proper and correct verification of Subsidy paid, can if deemed necessary modify, alter, or substitute and amend whatever is stated herein.

19.0 Bank Guarantees

19.1 There is no requirement for submission of Performance Bank Guarantee (PBG) by BSNL, as long as it is a 100% Government owned Company.

20.0 Maintenance of Records

20.1 The Universal Service Provider will draw, keep and furnish accounts for the VPTs for which it has signed the Agreement and shall fully comply with orders, directions or regulations as may be issued from time to time by the Administrator and/ or by the TRAI.

20.2 (a) The Administrator or the TRAI, as the case may be, shall have a right to call for, and the Universal Service Provider shall be obliged to maintain, supply and provide for examination of the books of accounts and records of faults. The Universal Service provider shall

also be required to supply and provide for examination any other records that it maintains in respect of the business carried on to provide the Service(s) under this Agreement at any time.

(b) The Universal Service Provider shall invariably preserve all accounting records and other records (electronic as well as hard copy) for a period of THREE years from the date of publishing of duly audited & approved Accounts of the company and any dereliction thereof shall be treated as a material breach independent of any other breach, sufficient to give a cause for cancellation of the Agreement.

20.3 The Service Provider shall submit annually by 30th September of the following financial year the actual cost and revenue details for the Services provided in the format prescribed in Annexure-V.

20.4 The relevant records of the Universal Service Provider will be subject to such scrutiny as may be prescribed by the Administrator so as to facilitate independent verification of the amount due to the Universal Service Provider as subsidy from the USF.

ANNEXURE III (same as attachments 1/3 and 2/3 to annexure II appended to DOT No. 30-101/20 dated 03.07.2003 above.)

ANNEXURE IV

Format of Auditor's Report on Statement of Claim for Subsidy from USF

To
The Board of Directors
.....
.....

We have examined the attached Statement(s) of claim for subsidy from USF of (the name of the Universal Service Provider) for the quarter(s) ending. We understand that the aforesaid statement(s) is/ are to be furnished to the Central Government for assessment of the subsidy payable to the Universal Service Provider by the Government, in terms of the Agreement Nosigned between the Universal Service Provider and the Administrator.

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 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 conditions contained in the said Agreement in this behalf and gives a true and fair view of the subsidy claimed for the period computed on the basis of the aforesaid conditions.
3. In our opinion and to the best of information, record of faults is kept in such a manner as to reflect the correct position, for the purpose of claiming subsidy under the Agreement.

(NAME AND SIGNATURE WITH COMPANY'S SEAL)

ANNEXURE V (same as attachments 3/3 to annexure II appended to DOT No. 30-101/20 dated 03.07.2003 above.)

ANNEXURE VI

**Statement of Disbursement of Subsidy
for Operation and Maintenance of VPTs**

FINANCIAL YEAR:
QUARTER ENDING:

Sl. No	Name of the USP	Amount Claimed	Amount Payable	Date of disbursement/ despatch
	Total			

ANNEXURE VII

**Proforma for Claim Submission Register
Subsidy Claims for Operation and Maintenance of VPTs**

FINANCIAL YEAR:
QUARTER ENDING:

Sl. No	Name of the USP	Date of Receipt of Claim	Signature	Remarks

ANNEXURE VIII

**Proforma for Subsidy Disbursement Register
Subsidy Disbursement for Operation and Maintenance of VPTs**

FINANCIAL YEAR:
QUARTER ENDING:

Sl. No	Name of the USP	Amount	Sanction No. & Date	Cheque No. & Date	Date of Despatch	Remarks

DOT No. 30-109/2003-USF dated 11.11.2003
To Bharti Telenet Ltd.

Subject: Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Madhya Pradesh Service Area provided as obligation in terms of Basic Service License Agreement No.17-12/95-BS-II/Madhya Pradesh dated 28.12.1997 (Order No.2 of FY 2003-04)

Please refer to your letter dated 11.11.2003 seeking clarification on the applicable Representative rate in respect of VPTs provided by you in Damoh, Dewas, Sagar, Rajgarh and Ratlam SSAs.

2. With regard to above, you are advised to see the stipulation in the 'Note' under the condition 17.2, Part-IV Financial Conditions of the Agreement No.30-101/2002-USF dated 28th March, 2003.

3. It has been decided that the Representative rates for subsidy support towards Operation and Maintenance of VPTs in the following SSAs provided in the 1991 Census villages will be as below:

Sl. No.	Name of SSA	Technology	Representative Rate (in Rs.)
1	DAMOH	WLL/GSM	4900
2	DEWAS	WLL/GSM	5000
3	SAGAR	WLL/GSM	5000
4	RAJGARH	WLL/GSM	5100
5	RATLAM	WLL/GSM	4900

4. The Administrator (USF) has decided the above Representative Rate in terms of Condition No.17.2 of Financial Conditions (Part-IV) of the Agreement No.30-101/2002-USF dated 28th March, 2003 for the operation and maintenance of existing VPTs in Madhya Pradesh Service Area.

DOT No. 30-14/2002-USF dated 21.11.2003
to BSNL

Subject: Outer Limit for Submission of Quarterly Subsidy Claims

Kindly refer to Condition No.18.3, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement for Operation and Maintenance of VPTs, under Universal Service Obligation in the 19 Service Areas, which stipulate that the Universal Service Providers shall submit its claim for quarterly subsidy in a statement in the prescribed form given in Attachment to Annexure II, showing computation of subsidy for each quarter by 15th of the month following the quarter.

2. It has been observed that the stipulated date of submission of subsidy claims is not being followed by the Universal Service Providers. It has, therefore been decided to extend the time limit for submission of quarterly claims upto 30 days from the close of the quarter. The claims received thereafter will be liable for outright rejection. In exceptional cases, the Administrator reserves the right to allow a period of another 15 days where valid reasons exist for submission of claims

beyond the 30 days time limit.

3. The above instructions for submission of quarterly claims shall be valid from the claims submitted for the 3rd quarter of 2003-2004 onwards.

Kindly acknowledge receipt of this letter.

DOT No. 30-111/2003-USF dated 24.11.2003
to BSNL

Subject: Representative Rate for Subsidy support towards Operation and Maintenance of VPTs in Maharashtra Service Area provided in terms of obligation under Basic Service License Agreement No.17-II/95-BS-II/Maharashtra Dated 30.09.1997

This has reference to your letter No. TTML/DOT/193 dated 12.11.2003 seeking clarification on the applicable Representative rate in respect of new VPTs provided by you using GSM access technology in Wardha SSA in Maharashtra Service Area for the purpose of subsidy claim towards operation and maintenance of these VPTs under Agreement No. 30-101 /2002-USF dated 31st March 2003.

2. With regard to above, you are advised to see the stipulations in the Note under the Condition 17.2, Part-IV Financial Conditions of the Agreement No. 30-101 /2002-USF dated 31st March 2003.

3. It has been decided that the Representative rates for subsidy support towards Operation and Maintenance of VPTs in the following SSA provided in the 1991 Census villages will be as below:

Sl. No.	Name of SSA	Name of Technology	Representative Rate (in Rs.)
1	WARDHA	WLL/GSM	4400

The Administrator (USF) has decided the above Representative rate in terms of Condition No. 17.2 of Financial Conditions (Part-IV) of the Agreement No. 30-101/2002-USF dated 31st March 2003 for the operation and maintenance of existing VPTs in Maharashtra Service Area.

DOT No. 30-107/2002-USF(Vol.IV) dated 25.11.2003
to BSNL

Subject: Modification of Condition No. 18.6, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement for Replacement of MARR VPTs

During scrutiny of records of some units it has been noticed that in several cases VPTs have not registered any incremental meter reading during the entire quarter. The matter was discussed in the meeting with the ABTO and the Licensed Service Providers, held on 13.10.2003, and it was agreed that such VPTs would not qualify for subsidy support from Universal Service Fund. The Record Note of discussions of the meeting were forwarded vide Letter "No. 30-117/2002-USF dated 16.10.2003.

2. Accordingly, the Administrator, Universal Service Fund in terms of Condition 18.12 of the captioned Agreement has decided to modify condition No. 18.6, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement for replacement of MARR VPTs.

Existing Condition 18.6:

"The VPTs that remain faulty for more than 7 days in a quarter, shall not be reckoned for the purpose of disbursement of full subsidy from USF and subsidy payable shall be reduced proportionately for the total no. of days die VPT remains faulty during the quarter.

Provided further that if a VPT remained faulty for forty five days or more during the quarter, no subsidy for the entire quarter for that VPT shall be disbursed.

Explanation:

The VPTs remaining non-functional for any reason are to be treated as faulty".

Modified Condition 18.6:

"The VPTs that remain faulty for more than 7 days in a quarter , shall not be reckoned for the purpose of disbursement of full subsidy from USF and subsidy payable shall be reduced proportionately for the total no. of days the VPT remains faulty during the quarter.

Provided further that if a VPT remained faulty for forty five days or more during the quarter, no subsidy for the entire quarter for that VPT shall be disbursed.

Explanation:

The VPTs remaining non-functional for any reason are to be treated as faulty. This will include VPTs which register no incremental meter reading during the entire quarter. Such VPTs will not qualify for subsidy support in that quarter".

The above modification shall become applicable for subsidy claim from the third quarter of the year 2003-2004 i.e. quarter ending 31st December, 2003 and onwards.

3. You are, therefore, required to submit the claims for the quarterly subsidy with effect from the quarter beginning 1st October, 2003 accordingly.
4. One copy of this letter may kindly be signed by the authorized signatory of the company in token of acceptance of the above said modification, for record and further action in this office.

**DOT No.30-101/2002-USF(Vol.IV) dated 27.11.2003
to BSNL**

Subject: Clarification of Condition No. 18.5, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement for Maintenance and Operations of VPTs

Reference: 1-1/2003-USF dated 28.8.2003

During scrutiny of records of some units it has been noticed that in several cases VPTs have not registered any incremental meter reading during die entire quarter. The matter was discussed in the meeting with thee ABTO and the Licensed Service Providers, held on 13.10.2003, and it was agreed that such VPTs would not qualify for subsidy support from Universal Service Fund. The Record Note of discussions of the meeting were forwarded vide Letter No. 30-117/2002-USF dated 16.10.2003.

2. In terms of Condition 18.12 of the captioned Agreement and clarification issued to the queries raised against Annexure-10, SCHEDULE OF TARIFF AND GUIDELINES FOR PROVISION OF VPT SERVICE, which form part of the Tender Document, no subsidy can be paid for a VPT remaining non functional for any reason,

In terms of the condition No. 18.5, Part IV Financial Conditions of the Agreement therefore, the VPTs remaining non functional for any reason are to be treated as faulty. This will also include VPTs which register no incremental meter reading during the entire quarter. Such VPTs will not qualify for subsidy support in that quarter.

3. The above clarification shall become applicable for subsidy claim from the third quarter of the year 2003-2004 i.e. quarter ending 31st December, 2003 and onwards.
4. You are, therefore, required to submit the claims for the quarterly subsidy with effect from the quarter beginning 1st October, 2003 accordingly.
5. One copy of this letter may kindly be signed by the authorized signatory of the company in token of acceptance of the above said clarification for record and further action in this office.

**DOT No. 1-1/2003-USF dated 08.12.2003
to BSNL**

Subject: Treatment of VPTs in the Subsidy Claims which do not Register Incremental Meter Reading

Kindly refer to letter No. 30-101/2002-USF(Vol.IV) dated 25.11.2003 regarding Modification of Condition No. 18.6, Part IV, Financial Conditions of the Agreement for subsidy disbursement for Replacement of MARR VPTs, wherein it has been clarified that the VPTs which register no incremental meter reading during the entire quarter will not qualify for support in that

quarter.

2. Such VPTs may be shown as faulty for the entire quarter in the claim statement under the columns provided for reflecting the period of fault and total no. of days of fault. "Zero Meter Reading" shall also be indicated against such VPTs in the 'Remarks' column of the claim statement. The above shall be applicable from the claims to be submitted from the third quarter of 2003-04 i.e., quarter ending 31st December, 2003 onwards.

**No. 30-111/2003-USF dated 30.12.2003
to M/s Tata Teleservices (Maharashtra) Ltd.**

Subject: Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Maharashtra Service Area provided in terms of obligation under Basic Service License Agreement No. 17-11/95-BS-II/Maharashtra dated 30.09.1997

This has reference to your letter No. TTML/DOT/186 dated 14.10.2003 seeking clarification on the applicable Representative rate in respect of new VPTs provided by you using GSM access technology in Akola, Amravathi, Beed, Bhandara, Buldana, Dhule, Jalgaon, Jalna, Nanded, Nasik, Parbhani, Ratnagiri, Satara, Sindhudurg(Kudal) and Raigad(Pen) SSAs in Maharashtra Service Area for the purpose of subsidy claim towards operation and maintenance of these VPTs under Agreement No. 30-101/2002-USF dated 28th March, 2003.

2. With regard to above, you are advised to see the stipulations in the 'Note' under the Condition 17.2, Part-IV Financial Conditions of the Agreement No. 30-101/2002-USF dated 31st March, 2003.

3. It has been decided that the Representative rates for subsidy support towards Operation and Maintenance of VPTs in the following SSAs provided in the 1991 Census villages will be as below:

Sl. No.	Name of SSA	Technology	Representative Rate (in Rs.)
1	Akola	WLL/GSM	4500
2	Amravati	WLL/GSM	4600
3	Beed	WLL/GSM	4500
4	Bhandara	WLL/GSM	4400
5	Buldhana	WLL/GSM	4500
6	Dhule	WLL/GSM	4500
7	Jalgaon	WLL/GSM	4600
8	Jalna	WLL/GSM	4500
9	Nanded	WLL/GSM	4500
10	Nasik	WLL/GSM	4600
11	Parbhani	WLL/GSM	4500
12	Raigad (Pen)	WLL/GSM	4500
13	Ratnagiri	WLL/GSM	4300
14	Satara	WLL/GSM	4500
15	Sindhudurg (Kudal)	WLL/GSM	4500

4. The Administrator (USF) has decided the above Representative rate in terms of Condition No. 17.2 of Financial Conditions (Part-IV) of the Agreement No. 30-101/2002-USF dated 31st March, 2003 for the operation and maintenance of existing VPTs in Maharashtra Service Area.

DOT No. 30-15/2002-USF(Vol.II) dated 05.02.04

Subject: Transfer of Work relating to Disbursement of Subsidy towards Universal Service Obligation and Monitoring of Information furnished in the Claims

References: **Office Memorandum of even no. dated 12.09.2003 and letter/s of even number dated 16.01.2004 addressed to M/s BSNL and Private Universal Service Providers, copies of which were endorsed to the respective CCAs/ Jt. CCAs**

Further to the instructions contained in the Office Memorandum referred above, it is hereby intimated that the work relating to disbursement of subsidy towards (a) Operation and Maintenance of VPTs and (b) Replacement of MARR VPTs (VPTs to be replaced with effect from 01.07.2003) under Universal Service Obligation for the Service Areas for which Agreements have been entered into and Monitoring of Information furnished in the claims submitted has been transferred to the CCAs/ Jt. CCAs as detailed below:

Sl. No.	CCA/ Jt.CCA unit to whom work has been transferred	Name of the Service Area
1.	CCA, Tamil Nadu Circle	Andaman & Nicobar, Tamil Nadu
2.	CCA, Andhra Pradesh Circle	Andhra Pradesh
3.	Jt. CCA, West Bengal Circle	Assam, North East & West Bengal
4.	Jt. CCA, Bihar Circle	Bihar (including Jharkhand)
5.	CCA, Gujarat Circle	Gujarat
6.	Jt. CCA, Haryana Circle	Haryana
7.	Jt. CCA, Himachal Pradesh Circle	Himachal Pradesh Circle
8.	Jt. CCA, Punjab Circle	Punjab & Jammu & Kashmir
9.	Jt. CCA, Karnataka	Karnataka
10.	Jt. CCA, Kerala	Kerala
11.	Jt. CCA, Chattisgarh	Madhya Pradesh including Chattisgarh
12.	CCA, Maharashtra	Maharashtra
13.	Jt. CCA, Orissa	Orissa
14.	Jt. CCA, Rajasthan	Rajasthan
15.	Jt. CCA, UP (East)	UP (East)
16.	Jt. CCA, Delhi Region	UP (West) including Uttaranchal

2. The decentralization shall be effective from the claims for the quarter ending 31.12.2003 in respect of Operation and Maintenance of VPTs and Replacement of MARR VPTs (to be replaced from 1.7.03), which were required to be submitted by the Universal Service Providers to the concerned O/o CCA/ Jt. CCAs by 30.01.2004. Claims received after this date will be time barred unless extensions of time is allowed by the Administrator. An exception has however been made for 7 working days from the last date prescribed for submission of the claim in respect of the claims for the quarter ending 31.12.2003 as a special case.

3. Status of Implementation

- Agreements have been signed in March 2003 for Operation and Maintenance of existing VPTs' provided so far by BSNL in 19 Service Areas and other six Basic Service Operators (BSOs) as part of their obligation in terms of Basic Service License issued prior to NTP –99.
- Agreements have also been signed with BSNL for replacement of 1,40,210 MARR VPTs installed prior to 1.4.2002 in 19 Service Areas, which are to be replaced from 01.07.2003.

4. Status of Fund

The Indian Telegraph (Amendment) Act, 2003 establishing the Universal Service Obligation Fund (USOF) has been passed by both houses of Parliament. The Rules for administration of the Fund have also been drafted and are being processed for notification.

5. Procedure for Disbursement of Subsidy

- Disbursement of subsidy shall be made by the designated O/o Controller of Communication Accounts/ Jt. Controller of Communication Accounts on behalf of the Administrator, USF by cheque quarterly in arrears after making adjustments, if any, for the excess/short payments made in the previous quarter.
- After verification of the claims, demand for funds shall be placed with the office of Administrator, USF, DOT by the concerned CCA/ Jt. CCA units, clearly indicating the activity wise and Operator wise break up of subsidy payable.
- The Office of the Administrator, USF based on the total budget allocation available for USO, would then allocate funds to the designated CCA/ Jt. CCA units. This is important in view of the fact that as per the Guidelines for implementation of USO, priority in disbursement of funds is to be given to activities under Stream I followed by Stream II, where a final view can be taken only by the Administrator, USF.
- The amounts shall be debited to the specified Head of Account i.e. "3275 00 800 04 – Compensation to Service Providers under USO" by the CCA/ Jt. CCA units on receipt of intimation regarding allotment of funds. The complete classification of the head is as follows:

Numeric Code	Head of Account
3275	Other Communication Services
800	Other Expenditure (Minor Head)
04	Compensation to Service Providers under USO

- Separate Head of Account for each of the activities covered under USO under the major Head 32750080004 will be intimated to the CCA/ Jt. CCA units subsequently, after receipt of the same from the Ministry of Finance.
- A copy of the sanction issued by the respective CCA/ Jt. CCA units will be given to the USF HQ, Telecom Accounts and Audit.

6. While verifying the claims, in addition to the instructions already issued vide the Office Memorandum referred to above, the following aspects may also be taken note of:

- The outer limit for submission of quarterly claims is 30 days from the close of the quarter. The claims received

thereafter will be liable for outright rejection. In exceptional cases, the Administrator reserves the right to allow a period of another 15 days where valid reasons exist for submission of claims beyond the 30 days time limit.

- (b) The VPTs which register no incremental meter reading during the entire quarter will not qualify for support in that quarter. Such VPTs shall be shown as faulty for the entire quarter in the claim statement under the columns provided for reflecting the period of fault and total no. of days of fault. "Zero Meter Reading" shall be indicated against such VPTs in the 'Remarks' column of the claim statement.
- (c) Deduction of subsidy for VPTs remaining faulty shall also include those remaining disconnected for non-payment beyond 7 days in a quarter.
The above instructions at (a) and (b) have already been issued to the Universal Service Providers and will be effective from the claims preferred for the Quarter Ending 31.12.2003. Copies of the above instructions are enclosed.
- (d) As soon as the claims are accepted by the O/o the CCA/ Jt. CCA, an intimation regarding acceptance of the claims shall be sent to the Asst. Administrator (F) either telephonically or by fax.
- (e) Periodic reports regarding disbursement of subsidy in the proforma as prescribed vide the OM referred to above shall be sent to the Asst. Administrator (F) USF.

1. Settlement of Claims relating to Replacement of MARR VPTs:

- The relevant conditions forming part of the Agreement relating to Replacement of MARR may be referred to for verification of claims.
- The claims submitted should be in accordance with the Norms for Preparation of Subsidy Claims for VPTs provided in Replacement of MARR VPTs forming part of the Agreement.
- Only claims in respect of the MARR VPTs as per the Agreement are to be allowed.

8. Checklist for Monitoring

Monitoring shall be with reference to the information furnished in the claims. In order to verify the correctness of information furnished in the claims vis-à-vis the sample VPTs, the O/o the CCA is required to conduct visits to the offices and exchanges of the field units of the USPs in the concerned Service Area (Telecom Circle) soon after disbursement of subsidy. Sample verification of the fault record, date of installation/ replacement and technology used shall be carried out based on the check list given below.

Parameters for Sample Verification:

- (a) Technology Used: Technology wise subsidy rate differs in respect of the Agreement on Operation and Maintenance of VPTs. The technology appearing in the record kept by the Universal Service Provider should match with the technology reflected in the claim statement.
- (b) Date of Installation: For new VPTs installed after 1.4.2002 and MARR VPTs replaced under the Agreement relating to Replacement of MARR VPTs, subsidy disbursement commences from the date of installation and replacement respectively. The date of installation as shown in the records of the USP should therefore tally with the date shown in the claim statement.
- (c) Date of Replacement of MARR VPTs: The VPTs on MARR technology are being replaced in a phased manner. Subsidy support for the MARR VPTs from the date of their replacement are governed by a different Agreement based on bids invited for this purpose. However, these MARR VPTs are eligible for subsidy towards Operating Expenses (OPEX) under the tender for Operation and Maintenance of VPTs upto one day prior to the date of their replacement at the representative rate for OPEX for MARR technology and thereafter qualify for both capital recovery and Operating expenses at the Representative Rate governed under the Agreement on Replacement of MARR VPTs. It is therefore important that the date of replacement of MARR VPTs shown in the claim statement matches with the records maintained by the USP.
- (d) Duration of fault: The Agreement provides for deduction of subsidy on account of BPT remaining non-functional for more than 7 days in a quarter. The duration of fault/ disconnection for non-payment/VPT remaining non-functional for any other reason, should match with the duration shown in the claim statement.
- (e) VPTs registering non-incremental meter reading: VPTs which register no incremental meter reading during the entire quarter will not qualify for support in that quarter.

Before disallowing any claim, the discrepancies noticed should be forwarded to the Office of the Administrator, USF along with clarification received, if any, from the Service Provider.

9. Submission of Report on Monitoring

The O/o the CCA on completion of visits to the SSAs for verification of data furnished in the claims shall furnish a consolidated report for the Service Area giving SSA wise details for that quarter atleast by the end of the quarter if not earlier to the Asst. Administrator (F), USF. The report shall clearly highlight accuracy of information maintained in the field units with reference to the data furnished in the claims.

10. The following documents will be handed over to the representatives of the CCAs/ Jt.CCAs as the case may be:

- Copies of the relevant Agreements.
- Copies of Amendments/ modifications and instructions issued from time to time to the Universal Service Providers from the O/o Administrator, USF.

- Closing Balance of VPTs as on 30.9.2003.
- List of MARR VPTs to be replaced from 1.7.2003 for which Agreement has been signed (in a floppy)
- Copies of the relevant notings relating to settlement of claims for the previous quarters.

**DOT No. 30-111/2003-USF dated 12.03.04
to M/s Tata Teleservices (Maharashtra) Ltd.**

Subject: Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Maharashtra Service Area provided in terms of Obligation under Basic Service License Agreement No.17-11/95-BS-II/Maharashtra Dated 30.09.1997

This has reference to your letter No. TTML/DOT/209 dated 09.032004 seeking clarification on the applicable Representative rate in respect of new VPTs provided by you using GSM access technology in Latur SSA in Maharashtra Service Area for die purpose of subsidy claim towards operation and maintenance of these VPTs under Agreement No. 30-101/2002-USF dated 31st March, 2003.

2. With regard to above, you are advised to see the stipulations in the 'Note' under the Condition 17.2, Part-IV Financial Conditions of the Agreement No. 30-101/2002-USF dated 31st March, 2003.

3. It has been decided that the Representative rates for subsidy support towards Operation and Maintenance of VPTs in the following SSA provided in the 1991 Census villages will be as below:

Sl. No.	Name of SSA	Technology	Representative Rate (in Rs.)
1	Latur	WLL/ GSM	4500

4. The Administrator (USF) has decided the above Representative rate in terms of Condition No. 17.2 of Financial Conditions (Part-IV) of the Agreement No. 30-101/2002-USF dated 31st March, 2003 for the operation and maintenance of existing VPTs in Maharashtra Service Area.

DOT No. 30-15/2002-USF Vol(II) dated 22.04.2004

Subject: Clarification on various issues raised by CCA/ Jt. CCA Units on Universal Subsidy Claims

The work of Universal Subsidy settlement has been decentralized to the offices of CCAs/ Jt. CCAs from the 3rd Qtr. of 2003-04 for subsidy claims towards (a) Operation and Maintenance of VPTs and (b) Replacement of MARR VPTs under Universal Service Obligation.

A number of units have sought clarifications on certain issues relating to settlement of the claims. The issues and clarifications are as under:

Sl. No.	Issues	Clarification
1.	Duplication in VPT No. (same STD code + VPT No.) (a) Same date of installation. (b) Different date of installation working either in same village or different village.	The claim for such VPTs should be settled after obtaining clarification from the USP to establish that the claim is for different VPTs in different villages.
2.	Duplication in village name in the claim: a) With a USP b) Among the USPs c) (a) or (b) but with different STD Codes or without Mention of STD Codes.	a. The claim for such VPTs should be settled after obtaining clarification from the USP. b. The claim for such VPTs should be settled after joint verification carried out by the representatives of both the USPs and CCA/ Jt.CCA to resolve the issue. c. The claim for such VPTs should be settled after obtaining the clarification from the USP.
3.	If the subsidy deduction due to fault is shown as zero, but not claim amount has been shown as net subsidy payable	The claim amount of such entries may be taken as zero in the absence of any claim for the VPT.
4.	In case less amount was claimed in the statement due to wrong calculations, which was detected at the time of verification by Jt. CCA.	Only arithmetical inaccuracies may be corrected. Other may be brought to the notice of USP for correction.
5.	In case of a faulty MARR VPT which was replaced after first	For replaced MARR VPTs, the payment of subsidy shall be

	45 days in a quarter, whether subsidy to be paid for the remaining period of the quarter	governed by the Conditions of the Agreement for MARR Replacement.
6.	Whether the complaints received from the public can be taken in to account for physical verification/ inspection	As a policy CCA/ Jt. CCA should not act as a Grievance Cell. The complaints may be forwarded to the concerned USP, under intimation to the subscriber. However, at the time of inspection it may be verified whether a proper mechanism for fault recording, rectification does exist.
7.	DNP List not submitted by USP	Reminder may be issued to USP and information be given to USF, DOT. Affidavit being modified to address this.
8.	SSA not specified in the Agreement but appearing in the Subsidy claim	To withhold the claim and take up with USF, DOT

DOT No. 30-15/2004-USF(Vo-III) dated 08.07.2004**Subject: Settlement of Claims for Operation and Maintenance of VPTs including Replacement of MARR**

Kindly ensure that the above mentioned claims may be settled by your office within 30 days of the day of receipt from the USP. In case of any genuine reason for non-settlement of claim, the reasons may kindly be conveyed to the USF Administration. The monitoring should follow the disbursement.

The requisition of fund should be sent only after complete checking of the claim, based on actual amount to be disbursed. In case of payment of a lesser amount for some unforeseen reason, the balance amount should be immediately surrendered to the USF Administration for efficient utilization of the USO Fund.

DOT No. 30-107/2002-USF dated 10.09.2004
to BSNL**Subject: Additional Condition No. 18.6.1 Section VI Financial Condition and attachment 1/3 of Annexure II, and Annexure II of the Agreements for replacement of MARR VPTs -30-107/2002-USF-dated 25.9.2003 & dated 19.3.2004**

It has been decided that in addition to the VPTs that register no incremental meter reading/ calls, VPTs that remain disconnected due to non-payment during an entire quarter, shall also not qualify for subsidy support for that quarter. This supersedes this office letter No. 30-107/2002-USF (Vol. IV) dated 25.11.2003

2. Accordingly the condition No. 18.6.1 of Agreement for subsidy disbursement towards replacement of MARR VPTs is added as follows:

Condition No 18.6.1 Explanation:

"The VPTs that register no incremental meter reading/ calls or have remained disconnected due to non-payment during the entire quarter, such VPTs shall not qualify for subsidy support for that quarter."

3. The above modification shall become applicable for subsidy claim from the 2nd quarter of the year 2004-05 i.e. quarter ending 30th September, 2004 and onwards.

4. The Claim Statement (attachment 1/3 of Annexure II) and Affidavit accompanying the quarterly claim is also accordingly modified. The modified Claim Statement and Affidavit are enclosed.

5. In the attachment 3/3 of Annexure II of both the Agreements for MARR Replacements Point 8 may be read after amendment as:

"No subsidy for the quarter shall be admissible for the VPTs disconnected due to Nonpayment (DNP) or that have registered no incremental meter reading/ calls during the entire quarter".

6. You are, therefore, required to submit the claims for the quarterly subsidy with effect from the quarter beginning 1.7.2004, accordingly.

7. One copy of this letter may kindly be signed by the authorized signatory of the company in token of the acceptance of the above said clarification for record and further action in this office.

(Applicable to MARR already replaced and MARR replacement claims from QE 30/09/2004)

ANNEXURE-II**AFFIDAVIT (ON STAMP PAPER)**

Agreement No. _____ Dated _____ For _____ (Name of Agreement)

1. Iaged about years son of Shri.....resident ofdo solemnly affirm and state as under:
2. That I amof (Name of the Company). Universal Service Provider inService Area and I am duly authorized by the resolutions datedpassed by Board of Directors of the Company to furnish affidavit on behalf of(Name of the Company).
3. That a claim of Rs.....(Rupees) is being made for the period.....to.....The details of calculation of subsidy are as per Attachments enclosed.
4. That the contents of Attachments ... & ... to Annexure II are true and correct to the best of my knowledge, based on the records of the company, which are available for further verification by the appropriate authorities and that the VPTs provided were functional from the date of installation/ replacement shown in the Statements (Attachments.. & .. of Annexure II).
5. Any VPT remaining non-functional either on the account of Fault, Disconnected due to Non-Payment (DNP) or Non Incremental Meter Reading (NIMR) in the claimed period has been correctly reflected in the claim.
6. That excess payment or shortage, if any, in the subsidy received shall be adjusted in the following year based on the quarterly statements duly certified by the Auditors of the Company and scrutiny as prescribed by the Administrator.
7. That the VPTs on any wireless technology have been provided by using fixed wireless terminals (FWTs).
8. That the subsidy for MARR VPTs on their replacement has not been claimed under any other Agreement entered into with the Administrator for the same Service Area.
9. That the VPTs provided are available for use by general public at a specified location in the village against which it has been shown as installed.

Deponent

VERIFICATION

Verified at on that the contents of the affidavit and Attachments .. & ... to Annexure II are true and correct to the best of my knowledge, no part of it is false and nothing has been concealed therefrom.

Deponent

Attachment 1/3 to Annexure II**Statement of Subsidy Claim for Marr Replacement (Applicable to Both the Agreements for Marr Replacements)**

AGREEMENT NO.....

DATED.....

NAME OF THE SERVICE PROVIDER:

NAME OF THE SERVICE AREA:

NAME OF THE SSA:

QUARTER ENDING:

QUARTER BEGINNING:

Sl. No.	Name of Village	MARR VPT No. with STD Code as prefix	Technology used in replacement	STD code & No of VPT provided in the replacement	Date of Replacement	Non-Functional Category	Period for which the replaced VPT remained non-functional		No. of days of existence of VPT in the quarter	Subsidy payable for the period in column no. 9	No. of days VPT remained non-functional **	Subsidy deduction for VPT remaining non-functional (as per agreement)	Net subsidy payable (10-12)
							From	To					

(Signature of Authorized Signatory with Company Seal)

NOTE:

1. Please refer detailed norms given at Attachment 3/3 to Annexure II.
2. The VPTs provided in the previous quarters (effective from the date of Agreement) should also be included in the claim for the current quarter.
3. The VPTs in the above format should be sorted by the date of installation in ascending order.
4. *The non-functional category "(Fault/ DNP/ NIMR)" must be specified.

5. **Days VPT remaining non-functional should be shown separately against each category. In case of fault, all the incidences when the VPT remained faulty during the quarter should be added up and shown.

DOT No. 30-101/2002-USF dated 14.09.2004
to M/s Reliance Infocomm Ltd.

Subject: Additional Condition No. 18.5.1 Part IV, Financial Condition of the Agreement for Subsidy Disbursement for Operation and Maintenance of VPTs

Reference: Agreement for operation and maintenance of VPTs-30-101/2002-USF dated 28.03.2003

It has been decided that in addition to the VPTs that register no incremental meter reading/ calls; VPTs that remain disconnected due to non-payment during an entire quarter, shall not qualify for subsidy support for that quarter. This supersedes this office letter No.I-I/2003-USF dated 28.8.2003 and No. 30-101/2002-USF (Vol. IV) dated 27.11.2003.

2. Accordingly the condition No-18.5.1 Part IV, financial condition of the Agreement is added as follows:
"The VPTs that register no incremental meter reading/ calls or have remained disconnected due to non-payment during an entire quarter; Such VPTs shall not qualify for subsidy support for that quarter."

The Claim Statement (attachment 1/3 of Annexure II) and Affidavit (Annexure II) accompanying the quarterly claim are also accordingly modified. The modified Claim Statement and Affidavit are enclosed.

3. The above clarification shall become applicable for subsidy claim from the second quarter of the year 2004-05 i.e. quarter ending September, 2004 and onwards.
4. You are, therefore, required to submit the claims for the quarterly subsidy with effect from the quarter beginning 1.7.2004, accordingly.
5. One copy of this letter may kindly be signed by the authorized signatory of the company in token of the acceptance of the above said clarification for record and further action in this office.

DOT No. 30-101/2004-USF dated 24.09.2004
to BSNL

Subject: Representative Rate for Subsidy Support towards Operation & Maintenance of VPTs in Assam Service Area

Please refer to your letter No. 20-2/2004-RD/USO dated 3.9.2004 seeking approval for the Representative rate in respect of VPTs provided by BSNL in Dibrugarh, Kamrup SSAs of Assam service area for the purpose of subsidy claim inwards operation and maintenance of these VPTs under Agreement No. 30-101/2002-USF dated 28th March 2003.

2. With regard to above, you are advised to see the stipulations in the 'Note under the Condition 17.2, Part-IV Financial Conditions of the Agreement No. 30-101/2002-USF dated 28th March, 2003.
3. It has been decided that the Representative rates for subsidy support towards Operation and Maintenance of VPTs in the following SSAs will be as below:

Sl. No.	Name of SSA	Name of Service Area	Technology	Representative Rate (in Rs.)
1	Dibrugarh	Assam	WLL	4900
2	Kamrup	Assam	WLL	4900

4. The Administrator (USF) has decided the above Representative rate in terms of Condition No. 17.2 of Financial Conditions (Part-IV) of the Agreement No. 30-101/2002-USF dated 28th March, 2003 for the operation and maintenance of VPTs in Assam Service Area.

DOT No. 30-101/2004-USF dated 24.09.2004
to BSNL

Subject: Representative Rate for Subsidy Support towards Operation & Maintenance of VPTs in Karnataka Service Area

1. With regard to above, you are requested to see the stipulations in the more under the Condition 17.2 Part-IV, Financial

Conditions of the Agreement No. 36-101/2002-USF dated 28th March 2003.

2. It has been decided that the Representative rates for subsidy support towards Operation and maintenance of VPTs in the following SSAs will be as below:

Sl. No.	Name of SSA	Name of Service Area	Technology	Representative Rate (in Rs.)
1.	Hassan	Karnataka	WLL	4400
2.	Bijapur	Karnataka	WLL	4800

3. The Administrator (USF) has decided the above Representative rate in terms of Condition No. 17.2 of Financial Conditions (Part-IV) of the Agreement No. 30-101/2002-USF dated 28th March, 2003 for the operation and maintenance of VPTs in Karnataka Service Area.

DOT No. 30-107/2002-USF dated 21.10.2004
to BSNL

Subject: Extension of Time Limit for Replacement of MARR VPTs

This has reference to your letter No.20-2/2004-RD/USO dated 6.7.2004 seeking extension of time limit for replacement of MARR VPTs from two years to three years under various Agreements Nos. 30-107/2002-USF dated 25.09.2003 for various Service Areas.

2. With regard to above, you are advised to see the stipulations under 'Note' in PART I GENERAL CONDITIONS of the Agreements No. 30-107/2002-USF for various service areas.

3. The Administrator (USO) has decided to increase the Roll Out period from one year to three years.

4. It may kindly be noted that no further extension will be granted. The above condition holds good for all the Service Areas for which Agreements Nos. 30-107/2002-USF are with BSNL on 25.09.2003.

DOT No. 30-15/2004-USOF Vol.III dated 16.12.2004

To the Sr. CCA/CCA/Jt. CCA, Andhra Pradesh, Bihar, Chattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, UP (East), West Bengal

Subject: Complete verification of VPT data with the billing record reg.

It has been decided by USOF Administration that 100% verification of VPTs for which support from USOF is being claimed under the different activities, be completed by the concerned CCA offices with the billing record maintained by the Universal Service Providers. The parameter for verification is annexed.

The above work should be completed positively by 20th February 2004. You are requested to kindly fax the detailed plan of action by 21st December, 2004 to USOF Administration on 011-23372158. In case of any difficulty in carrying out the above activity for all SSAs in the Service Area, it may be communicated to the undersigned so that alternate arrangements can be considered at this end.

Report of VPTs Verified from Billing Record to be furnished to USF Hqrs
(Separate sheets for different activities)

1. CCA Unit:
2. Name of Service Area:
3. Name of USP:
4. Name of SSA:
5. Details of observations made:

Sl. No.	SSA Name	No. of VPTs Claimed	No. of VPTs Confirmed from Billing Record	No. of VPTs claimed but not available in Billing Record (col. 3 - 4)	No. of VPTs having STD Facility among those provided in col. 4	No. of VPTs where date of Replacement provided in claim is matching with Billing Record	No. of VPTs where date of Replacement provided is not matching with Billing Record (col. 3 - 7)
1	2	3	4	5	6	7	8

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DOT No. 30-15/2004-USOF Vol.III dated 24.12.2004
to Sr. CCA/ CCA/ Jt. CCA

Subject: Reporting and Monitoring System for Activities under Universal Service Obligation

The work related claim settlement & monitoring under Universal Service Obligation has completed more than two years at HQ level and almost one year after decentralisation at CCA/ Jt. CCA level. From the experience gained for the above activities and observations & suggestions received from CCAs/ Jt. CCAs certain changes are considered by USOF Administration. In view of the above following information is required to be submitted by the O/o Sr. CCA/ CCA/ Jt.CCA.

- (i) Intimation of Claim receipt: Immediately upon receipt of claim (Format A)
- (ii) Requisition of Fund: Format A completed & duly signed, along with electronic submission of annexure I of Format A.
- (iii) Report from CCA offices: Format B on monthly basis; nil report may be sent for the month if no inspection has been carried out.

Focus of verification/ monitoring would be on billing data available in the SSA. Commercial record may be used only on supporting basis. While visiting an SSA, efforts should be made to obtain information for all the activities under USO. Physical inspection of individual VPTs may be taken up as a last resort.

End: As above (*Formats A & B are the same as appendices III and V respectively in this Chapter.*)

DOT No. 30-116/2004-USO dated 04.01.2005
to BSNL

Subject: Subsidy Claim for MARR VPTs in Haryana Service Area

This has reference to your office letter No.20-2/2004-RD/USO dated 9.12.2004 regarding submission of separate claims for MARR VPTs in respect of Gurgaon and Faridabad SSAs in view of separation of Faridabad SSA.

2. In this regard, I am directed to intimate that the claims in respect of MARR VPTs (to be replaced & already replaced) of Faridabad SSA may be claimed under Gurgaon SSA.
3. Regarding modification in the Agreement, for additional number of MARR VPTs (already replaced) in Gurgaon and Faridabad SSAs, the valid justifications for not including the information at the time of signing of the Agreements, may be furnished. You are also requested to furnish information, if any, for any other SSA(s) of Haryana Service Area, which are having similar discrepancies.
4. This has got the approval of the competent authority.

DOT No. 30-116/2004-USO dated 24.01.2005
To BSNL

Subject: Financial Conditions (Part-IV) of the Agreement No. 30-107/2002-USF dated 19.3.2004 for Subsidy Disbursement towards replacement of MARR VPTs (Replaced between 1.4.2002 and 30.6.2003) under Universal Service Obligation for Gujarat Service Area – inclusion of VPTs in various SSAs in condition 17.1

Consequent to the request of M/s. BSNL vide Letter No. 20-2/2004-RD/USO dated 21.07.2004 and justifications provided in their letter No. 20-2/2004-RD/USO dated 29.12.2004 for including 230 VPTs in Gujarat Service Area, approval of the Administrator, USF is hereby conveyed through this letter for modifying the condition No.17.1 of Financial Conditions (Part-IV) which is appended hereto. This amendment shall form part and parcel of the Agreement No. 30-107/2002-USF dated 19.03.2004 for subsidy disbursement towards replacement of MARR VPTs in Gujarat Service Area and the date of effect of this modification shall be from 01.04.2002.

2. The enclosed amendment has been signed on behalf of Administrator. Each page of the above said amendment is to be signed by the Authorized signatory of the company (affixing rubber stamp and common seal of the Company) in acceptance of the amended condition 17.1 of the aforesaid Agreement. One signed copy may be retained and the second signed copy may be returned to the undersigned.

Encl: as above

Enclosure

Amendment No.1

Agreement No.30-101/2002-USF dated 19.3.2004 for Subsidy Disbursement towards Replacement of MARR VPTs (replaced between 1.4.2002 and 30.6.2003) in Gujarat Service Area

Amended Condition: 17.1

"17.1 SSA-wise representative rate, at which subsidy is disbursable, shall be as follows

Sl. No.	Name of SSA	Total no. of MARR VPTs replaced as per existing condition of the Agreement	Total no. of MARR VPTs replaced as per amended condition of Agreement	Representative Rate per VPT per annum in Rupees
1	AHMEDABAD	134	140	14200
2	AMRELI	64	69	14500
3	BHARUCH	132	226	14300
4	BHAVNAGAR	131	159	14400
5	BHUJ	38	38	16800
6	GODHRA	212	216	14100
7	HIMMANT NAGAR	16	16	14600
8	JAMNAGAR	127	127	14600
9	JUNAGARH	78	78	14700
10	MEHSANA	12	15	14200
11	NADIAD (KHEDA)	13	17	14100
12	PALANPUR	122	127	15800
13	RAJKOT	48	50	14600
14	SURAT	128	164	14400
15	SURENDRA NAGAR	10	22	14400
16	VADODARA	214	245	14200
17	VALSAD	46	46	14100
	TOTAL	1525	1755	

This list of additional 230 VPTs is enclosed herewith.

The Representative rate for payment of subsidy shall be reviewed during the fourth year of the Agreement. The modified rate of subsidy will be determined based on review taking into consideration, inter-alia, the increase in revenue receipts in view of provision of STD facility on all VPTs by end 2004 in terms of TRAI recommendations. The modified representative rate for subsidy based on review shall be applicable from the 4th year of the Agreement.

Further, after the mid term review of the Representative rate of subsidy during the third year, if it is found that based on net cost, no subsidy is payable, the USP shall be obliged to operate and maintain the replaced VPTs for the period of Agreement without any subsidy from the Administrator.

REMAINING REPLACED MARR VPTs UPTO 30.6.2003

Sl. No.	Name of the SSA	Village	STD Code	Phone Number	Tech Used in Repl.	Date of Replacement
1.	Ahmedabad	Angurthala	02716	264687	CABLE	29/06/03
2.	Ahmedabd	Bhankoda	02715	254758	CABLE	30/4/03
3.	Ahmedabad	Hirpur	079	3771278	CABLE	07/06/03
4.	Ahmedabad	Kantharpur	02716	261279	CABLE	09/05/03
5.	Ahmedabad	Sujana Muvada	02716	266420	CABLE	05/05/03
6.	Ahmedabad	Vanthal	02715	257370	CABLE	30/04/03
7.	Amreli	Tivadar	02791	233560	CABLE	22/05/03
8.	Amreli	Zampodar	02794	222692	CABLE	19/04/03
9.	Amreli	Chakrava	02797	2713386	CABLE	23/06/03
10.	Amreli	Borala	02845	2713387	CABLE	23/06/03
11.	Amreli	Dedakadi	2845	258410	CABLE	23/06/03
12.	Bhavnagar	Rajavadar	02844	285120	CABLE	01/06/03

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13	Bhavnagar	Rajpara	02841	287280	CABLE	05/04/03
14	Bhavnagar	Charvadala	02846	284484	CABLE	20/05/03
15	Bhavnagar	Dhankankunda	02846	289140	CABLE	20/05/03
16	Bhavnagar	Mandavda	02848	280746	CABLE	19/06/03
17	Bhavnagar	Bhadavav	02848	242305	CABLE	19/06/03
18	Bhavnagar	Bharatimba	02848	289904	CABLE	27/06/03
19	Bhavnagar	Haripara	02844	280463	CABLE	01/06/03
20	Bhavnagar	Chokva	02844	242535	CABLE	19/06/03
21	Bhavnagar	Lakhavad	02848	280696	CABLE	01/06/03
22	Bhavnagar	Belampar	02844	285101	CABLE	10/06/03
23	Bhavnagar	Sodvadra	0278	26305403	WLL	30/06/03
24	Bhavnagar	Khari	02844	285273	CABLE	11/04/03
25	Bhavnagar	Nathugadh	0278	2887527	CABLE	06/05/03
26	Bhavnagar	Lak Hawad	02843	234089	CABLE	19/06/03
27	Bhavnagar	Bhandarakha	02848	253193	CABLE	05/04/03
28	Bhavnagar	Handmatiya	02841	286420	CABLE	10/06/03
29	Bhavnagar	Jaliya	02841	287279	CABLE	30/06/03
30	Bhavnagar	Galthar	02844	285274	CABLE	11/04/03
31	Bhavnagar	Badi	0278	2871402	CABLE	20/05/02
32	Bhavnagar	Sarvedi	02846	289131	CABLE	10/06/03
33	Bhavnagar	Sanes	0278	2630541	WLL	10/06/03
34	Bhavnagar	Savinagar	0278	2630542	WLL	30/06/03
35	Bhavnagar	Chhapri	02844	285272	CABLE	10/06/03
36	Bhavnagar	Bhojpara	0278	2630540	WLL	19/06/03
37	Bhavnagar	Dungarpor	02848	252809	CABLE	10/06/03
38	Bhavnagar	Navaniya	02841	281634	CABLE	19/06/03
39	Bhavnagar	Anida	02848	280652	CABLE	01/06/03
40	Bharuch	Akuwada	2640	234445	CABLE	01/04/03
41	Bharuch	Amadada	2642	286266	CABLE	01/04/03
42	Bharuch	Ambheta	2641	256050	CABLE	01/04/03
43	Bharuch	Ambheta	2646	262094	CABLE	01/04/03
44	Bharuch	Amoljar	2645	240376	CABLE	01/04/03
45	Bharuch	Andharkachhala	2645	254175	WLL	01/04/03
46	Bharuch	Angareshwar	2642	272288	CABLE	01/04/03
47	Bharuch	Asharma	2646	269420	CABLE	01/04/03
48	Bharuch	Bakhar	2640	235340	WLL	01/04/03
49	Bharuch	Besna	2649	234161	CABLE	01/04/03
50	Bharuch	Bhandara	2640	235324	WLL	01/04/03
51	Bharuch	Bharthana	2642	287462	CABLE	01/04/03
52	Bharuch	Bhilwasi	2640	248081	CABLE	01/04/03
53	Bharuch	Bodadra	2646	263373	CABLE	01/04/03
54	Bharuch	Boria	264	235333	WLL	01/04/03
55	Bharuch	Chikali	2649	262089	CABLE	01/04/03
56	Bharuch	Chilodra	2646	268104	CABLE	01/04/03
57	Bharuch	Dholi	2645	248120	CABLE	01/04/03
58	Bharuch	Dantrai	2646	268103	CABLE	01/04/03

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59	Bharuch	Detwada	2649	258093	CABLE	01/04/03
60	Bharuch	Dhahwan	2649	237014	CABLE	01/04/03
61	Bharuch	Eksal	2642	286270	CABLE	01/04/03
62	Bharuch	Fokadi	2643	282712	CABLE	01/04/03
63	Bharuch	Gabhana	2640	235337	WLL	01/04/03
64	Bharuch	Gadkoi	2640	235328	WLL	01/04/03
65	Bharuch	Gambhirpura	2645	254178	WLL	01/04/03
66	Bharuch	Gulal	2644	253184	WLL	01/04/03
67	Bharuch	Jageshwar	2641	256288	CABLE	01/04/03
68	Bharuch	Janiyadra	2641	255214	CABLE	01/04/03
69	Bharuch	Jarwani	2640	235342	WLL	01/04/03
70	Bharuch	Jetpore	2640	235256	WLL	01/04/03
71	Bharuch	Jolva	2641	256039	CABLE	01/04/03
72	Bharuch	Junwad	2649	235336	WLL	01/04/03
73	Bharuch	Kaladra	2644	255383	CABLE	01/04/03
74	Bharuch	Kankhadi	2646	255351	CABLE	01/04/03
75	Bharuch	Kantharia	2643	253162	WLL	01/04/03
76	Bharuch	Katpore	2640	268101	CABLE	01/04/03
77	Bharuch	Kavachia	2649	285362	CABLE	01/04/03
78	Bharuch	Khamar	2649	235251	CABLE	01/04/03
79	Bharuch	Khocharpada	2649	254370	CABLE	01/04/03
80	Bharuch	Khokhar Umar	2641	234156	CABLE	01/04/03
81	Bharuch	Kodba	2641	255350	CABLE	01/04/03
82	Bharuch	Limbdi	2640	256033	CABLE	01/04/03
83	Bharuch	Luwara	2640	256204	CABLE	01/04/03
84	Bharuch	Mankuva	2640	235339	WLL	01/04/03
85	Bharuch	Mithivav	2640	235326	WLL	01/04/03
86	Bharuch	Mota Limbetivada	2640	235252	WLL	01/04/03
87	Bharuch	Motahindva	2640	235255	WLL	01/04/03
88	Bharuch	Moti raval	2640	235345	WLL	01/04/03
89	Bharuch	Nan Limatwada	2640	235257	WLL	01/04/03
90	Bharuch	Nanpiplia	2640	235322	WLL	01/04/03
91	Bharuch	Nanzud	2640	235334	WLL	01/04/03
92	Bharuch	Nani Bedvan	2649	237013	CABLE	01/04/03
93	Bharuch	Nani Raval	2640	235335	WLL	01/04/03
94	Bharuch	Narwadi	2649	254327	CABLE	01/04/03
95	Bharuch	Nikot	2649	234160	CABLE	01/04/03
96	Bharuch	Panchkhala	2649	255352	CABLE	01/04/03
97	Bharuch	Panchpipari	2649	256094	CABLE	01/04/03
98	Bharuch	Panjaroli	2646	270540	CABLE	01/04/03
99	Bharuch	Pantalavdi	2640	235331	WLL	01/04/03
100	Bharuch	Pati	2641	258095	CABLE	01/04/03
101	Bharuch	Pursa	2645	245782	CABLE	01/04/03
102	Bharuch	Rajaslwada	2640	248100	CABLE	01/04/03
103	Bharuch	Ranjpara	2640	235264	WLL	01/04/03
104	Bharuch	Ringani	2640	235253	WLL	01/04/03

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105	Bharuch	Rundh	2649	235249	WLL	01/04/03
106	Bharuch	Sabuti	2641	237084	CABLE	01/04/03
107	Bharuch	Saikha	2641	286237	CABLE	01/04/03
108	Bharuch	Saladra	2645	225290	CABLE	01/04/03
109	Bharuch	Samarpada	2645	254171	WLL	01/04/03
110	Bharuch	Sarsad	2642	254171	WLL	01/04/03
111	Bharuch	Shalpara	2645	287463	CABLE	01/04/03
112	Bharuch	Shiyali	2649	254108	WLL	01/04/03
113	Bharuch	Sim Ambli	2642	255349	CABLE	01/04/03
114	Bharuch	Sindhot	2640	272289	CABLE	01/04/03
115	Bharuch	Suka	2640	235325	WLL	01/04/03
116	Bharuch	Surajwad	2643	235323	WLL	01/04/03
117	Bharuch	Timala	2645	282138	CABLE	01/04/03
118	Bharuch	Uchhab	2640	234455	CABLE	01/04/03
119	Bharuch	Udva	2642	235328	WLL	01/04/03
120	Bharuch	Umara	2642	287477	CABLE	01/04/03
121	Bharuch	Vadvaa	2646	276018	CABLE	01/04/03
122	Bharuch	Vaghvan	2644	268102	CABLE	01/04/03
123	Bharuch	Vahlem	2640	253078	WLL	01/04/03
124	Bharuch	Vanderia	2640	235259	WLL	01/04/03
125	Bharuch	Vanzeditad	2640	235321	WLL	01/04/03
126	Bharuch	Vaviala	2644	235332	WLL	01/04/03
127	Bharuch	Vavli	2640	227234	CABLE	01/04/03
128	Bharuch	Velchandi	2640	235250	CABLE	01/04/03
129	Bharuch	Virsalpara	2645	235254	WLL	01/04/03
130	Bharuch	Wala	2645	234451	CABLE	01/04/03
131	Bharuch	Wali	2640	234452	CABLE	01/04/03
132	Bharuch	Wanzar	2640	235258	WLL	01/04/03
133	Bharuch	Zaranwadi	2649	234049	CABLE	01/04/03
134	Godhra	Jalia	02672	286602	CABLE	26/05/03
135	Godhra	Padaradi	02670	222244	CABLE	26/06/03
136	Godhra	Ravalia	02676	246612	CABLE	4/06/03
137	Godhra	Vakhatpur (Kidia)	02674	283566	CABLE	12/05/03
138	Kheda	Viroja	02694	286525	CABLE	26/04/03
139	Kheda	Indravama	02694	286574	CABLE	26/04/03
140	Kheda	Valotri	02694	286406	CABLE	26/04/03
141	Kheda	Pinglj	02694	284505	CABLE	15/05/03
142	Mehsana	Adgam	02733	270188	CABLE	26/06/03
143	Mehsana	Sendrana	02764	272541	CABLE	05/04/03
144	Mehsana	Vehedpara	02733	270187	CABLE	26/06/03
145	Palanpur	Arkhi	02748	226770	CABLE	29/06/03
146	Palanpur	Silsana	02748	231780	CABLE	29/06/03
147	Palanpur	Chotil	02740	225363	CABLE	18/06/03
148	Palanpur	Dendava	02740	225953	CABLE	1/04/03
149	Palanpur	Khadol	02740	221134	CABLE	18/06/03
150	Rajkot	Samdhiyala	02828	271649	CABLE	17/06/03

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151	Rajkot	Sartanpar	02828	287886	CABLE	17/06/03
152	Surat	Abhva	0261	2258085	CABLE	23/04/03
153	Surat	Baethi	02623	256758	CABLE	17/04/03
154	Surat	Gangpur	02623	244684	CABLE	7/04/03
155	Surat	Kakadava	02623	221411	CABLE	1/04/03
156	Surat	Kalibel	02623	271226	CABLE	2/05/03
157	Surat	Kamlapor	02623	241210	CABLE	28/04/03
158	Surat	Kasal	02623	261148	CABLE	1/05/03
159	Surat	Khanjroli	02623	241209	CABLE	15/04/03
160	Surat	Kolkui	02623	261147	CABLE	21/04/03
161	Surat	Kolsana	02623	261150	CABLE	21/04/03
162	Surat	Piparia	02623	241672	CABLE	30/04/03
163	Surat	Rosvad	02623	232428	CABLE	15/04/03
164	Surat	Tarsadakhurd	02623	271362	CABLE	1/04/03
165	Surat	Togapur	02623	233896	CABLE	30/06/03
166	Surat	Umarkhadi	02623	271363	CABLE	15/04/03
167	Surat	Umarsadi	02623	241677	CABLE	30/06/03
168	Surat	Uteva	02623	241214	CABLE	01/06/03
169	Surat	Vareth	02623	221412	CABLE	2/06/03
170	Surat	Varethi	02623	233375	CABLE	29/06/03
171	Surat	Godha	02623	271371	CABLE	15/04/03
172	Surat	Karanj	02624	235774	CABLE	7/05/03
173	Surat	Khervada	02624	233174	CABLE	30/06/03
174	Surat	Vaghnera	02624	231485	CABLE	2/04/03
175	Surat	Kaher	02625	233321	CABLE	15/06/03
176	Surat	Khandal	02625	256491	CABLE	1/04/03
177	Surat	Andharvadi Du	02626	251262	CABLE	1/04/03
178	Surat	Chikhaldia	02626	241237	CABLE	1/05/03
179	Surat	Ghani	02626	246485	CABLE	14/05/03
180	Surat	Ghriyavav	02626	244770	CABLE	21/04/03
181	Surat	Kapadvan	02626	241216	CABLE	7/04/03
182	Surat	Kosamkuwa	02626	251247	CABLE	1/04/03
183	Surat	Pathakwadi	02626	251258	CABLE	7/04/03
184	Surat	Pithadra	02626	251208	CABLE	1/04/03
185	Surat	Sankli	02626	241213	CABLE	15/04/03
186	Surat	Khodada	02628	244209	CABLE	1/05/03
187	Surat	Sadadapani	02629	253350	CABLE	5/06/03
188	Surendranagar	Dungarpur	2558	232111	CABLE	7/04/03
189	Surendranagar	Bhagwanpara	2753	254402	CABLE	4/04/03
190	Surendranagar	Jsamtpar	2753	256534	CABLE	4/04/03
191	Surendranagar	Kamalpar	2753	259327	CABLE	4/06/03
192	Surendranagar	Parali	2753	258315	CABLE	4/04/03
193	Surendranagar	Gosal	2755	244113	CABLE	2/04/03
194	Surendranagar	Kesharpar	2755	235307	CABLE	2/04/03
195	Surendranagar	Nadala (Devghadh)	2755	266567	CABLE	02/04/03
196	Surendranagar	Ori	2756	242360	CABLE	02/04/03

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197	Surendranagar	Samalpar	2755	235312	CABLE	02/04/03
198	Surendranagar	Sangoi	2755	265459	CABLE	02/04/03
199	Surendranagar	Shivraniya	2755	265457	CABLE	02/04/03
200	Vadodra	Amrapura	2667	281473	WLL	7/05/03
201	Vadodra	Andhani	2661	221292	WLL	24/05/03
202	Vadodra	Bamkui	2665	259540	WLL	8/05/03
203	Vadodra	Borvani	2661	221289	WLL	12/05/03
204	Vadodra	Chandpur	2665	259543	WLL	8/05/03
205	Vadodra	Charanpura	2667	281478	WLL	9/05/03
206	Vadodra	Dabha	2661	221301	WLL	24/05/03
207	Vadodra	Damapura	2665	259537	WLL	7/05/03
208	Vadodra	Dhandhania	2661	221293	WLL	12/05/03
209	Vadodra	Dhania Umrva	2661	221294	WLL	12/05/03
210	Vadodra	Dhanora	2667	281484	WLL	12/05/03
211	Vadodra	Ghoda	2661	221287	WLL	12/05/03
212	Vadodra	Goyavant	2661	221297	WLL	26/05/03
213	Vadodra	Hamjarpura	2661	221288	WLL	12/05/03
214	Vadodra	Harvant	2669	289432	WLL	5/06/03
215	Vadodra	Jojva	2665	259541	WLL	8/05/03
216	Vadodra	Kamalpura	2667	281479	WLL	9/05/03
217	Vadodra	Khapariya	2661	221298	WLL	26/05/03
218	Vadodra	Khokhariveri	2665	259539	WLL	9/05/03
219	Vadodra	Lachhanpura	2667	281472	WLL	7/05/03
220	Vadodra	Limadiya	2661	221300	WLL	24/5/03
221	Vadodra	Menekla	2667	281486	WLL	09/5/03
222	Vadodra	Mewaliajapura	2667	281471	WLL	14/05/03
223	Vadodra	Pachisgam	2665	259538	WLL	08/05/03
224	Vadodra	Pasva	2667	281482	WLL	10/05/03
225	Vadodra	Puniavant	2669	289429	WLL	20/05/03
226	Vadodra	Samarpura	2661	221296	WLL	26/05/03
227	Vadodra	Sherpura (k)	2667	281481	WLL	08/05/03
228	Vadodra	Sindhadia	2661	221286	WLL	12/05/03
229	Vadodra	Vidia	2667	281483	WLL	08/05/03
230	Vadodra	Zab-2	2664	289475	WLL	08/05/03

DOT No. 30-15/2004-USF (Vol-III) dated 31.03.05

To the Sr CCA/ Jt CCAs Assam, Bihar, Chattisgarh, Delhi, Jharkhand, Jammu and Kashmir, Madhya Pradesh, North East II, Punjab, UP(W), Uttaranchal, West Bengal

Subject: Reallocation of Work of Verification of Data related to Universal Subsidy Claims for Various Activities being Settled by CCA/ Jt CCA reg.

References: OM of even No. dated 12.09.2003 and letter of even No. dated 05.02.2004

Further to the instructions contained in the Office Memorandum and the letter referred above (copies enclosed for ready reference), it is hereby intimated that the work relating to verification/ monitoring of data related to the Universal Subsidy claims for various activities is hereby reallocated to the Jt. Controller of Communication Accounts of various units as detailed below:

Name of the Service Area/ Circle	Previously verified/ monitored by	Reallocated to
Assam	Jt. CCA, West Bengal	Jt. CCA, Assam
Jharkhand	Jt. CCA, Bihar	Jt. CCA, Jharkhand

Jammu and Kashmir	Jt. CCA, Punjab	Jt. CCA, J&K
Madhya Pradesh	Jt. CCA, Chattisgarh	Jt. CCA, Madhya Pradesh
North East I	Jt. CCA, West Bengal	Jt. CCA, Assam
North East II	Jt. CCA, West Bengal	Jt. CCA, North East II
UP (West)	Jt. CCA, Delhi Region	Jt. CCA, UP (West)
Uttaranchal	Jt. CCA, Delhi Region	Jt. CCA, Uttaranchal

2. The claims in respect of the above stated Service Areas would continue to be received and settled by the respective Jt. CCAs as contained in the letter No of even dated 05.02.2004 until further orders. The units responsible for settling the claims may make the records available to the corresponding reallocated units for the purpose of verification as mutually agreed. The verification report shall be sent to the units responsible for claim settlement for further necessary adjustments thereof, with a copy to the undersigned.

A copy of the report should be given to the concerned Universal Service Provider and to DDG (RN), Corporate office, BSNL in case of BSNL claims.

3. To begin with, the complete verification of data is to be done in respect of the subsidy claims related to the following Agreements (detailed in letter of even no.dated 16.12.04, copy enclosed):

- (i) Operation and Maintenance of VPTs
- (ii) Replacement of MARR VPTs (Replaced upto 30.6.03); Agreement signed on 19.3.04
- (iii) Replacement of MARR VPTs (Replaced after 30.6.03); Agreement signed on 25.9.03

The above exercise may be taken up immediately by the units to whom the work has been reallocated and shall be completed by 30.4.2005.

Kindly acknowledge the receipt.

End: As above

(Note: The enclosures to this i.e. letters of even Nos. dated 12.09.2003, 05.02.2004 and 16.12.04 are printed above.)

DOT No. 30-14/2004-USOF dated 24.05.2005

Subject: Explanation to the Claim Statement in the Agreement for Rural Household DELs installed from 1.4.2002 to 31.3.2005 and 1.4.2005 to 31.3.2007

The following may kindly be taken note of while preferring claims for Rural Household DELs under the Agreements mentioned above:

(i) Permanently Closed DELs: The number of permanently closed DELs reflected in the claims statement should be from out of the DELs installed on and after 1.4.2002 in respect of Agreement for RDELs installed from 1.4.2002 to 31.3.2005. In case of Agreements signed for DELs installed from 1.4.2005 to 31.3.2007, the numbers shall be from out of those installed on or after 1.4.2005.

(ii) Opening Balance of DELs: The Opening Balance for Agreements for DELs installed from 1.4.2002 to 31.3.2005 would be the DELs existing as on 1.4.2002.

Likewise for the Agreements covering DELs installed from 1.4.2005 to 31.3.2007, DELs as in 1.4.2005 will be the Opening Balance.

(iii) Arriving at Net Addition of DELs:

- (a) In Attachment 1/2 to Annexure 1 (summary and claim statement for Front Loaded subsidy), the highest number of RDELs in any previous quarter (Column No.10) is to be considered from 1.4.2002 onwards.
- (b) Where the USP has entered into Agreement only for the Agreement for RDELs in any previous quarter (column No.10) is to be considered from 1.4.2005 onwards.

(iv) Cases where Equated Annual Subsidy is zero:

- (a) Under the Agreement for RDELs installed from 1.4.2002 to 31.3.2005, all RDELs stalled on or after 1.4.2002 shall be reflected in the Attachment 2/2 to Annexure I. Claim statement for Equated Annual Subsidy till the date of their permanent closure, even if the representative rate for equated annual subsidy is zero.
- (b) Under the Agreement for RDELs installed from 1.4.2005 to 31.3.2007 also all RDELs installed on or after 1.4.2005 shall be reflected in the Attachment 2/2 to Annexure I (Claim statement for Equated Annual Subsidy) till the date of permanent closure, even if the representative rate for equated annual subsidy is zero.

(v) The billing data shall be the basis for preparation of the claim.

(vi) For the purpose of deduction of Equated Quarterly subsidy on account of faults, for those SSAs where the Equated Quarterly Subsidy is zero, Rs. 250/- (Two Hundred and Fifty only) shall be taken as the rate at which deduction shall be calculated on prorata basis for faults between 7 days to 45 days and for faults exceeding 45 days or more during the quarter, Rs.250/- shall be deducted.

DOT No. 30-15/2004-USF(Vol-III) dated 25.05.2005

To the Sr. CCA/ CCAs/ Jt. CCAs Andhra Pradesh, Bihar, Chattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, UP (East), West Bengal

Subject: Disbursement of Subsidy from USO Fund regarding

The undersigned is directed to convey the following decisions of USF Administrator, USF relating to disbursement of subsidy:

1. Before releasing front loaded subsidy for Rural Community Phone(s) and/ or VPTs installed in uncovered villages, it may be ensured that the facility has been operationalised. This may be ascertained from the first bill issued by the concerned Universal Service Operator for the claimed facility (copy of instruction issued to the USPs is enclosed). Verification through dialing the telephone number may also be adopted by the CCA units to check whether the facility is available for general public and when it started functioning.
2. Before disallowing any amount of subsidy that was kept under discrepancies or withheld for any reason, a prior approval should be obtained from the Administrator, USF.
3. The sanction letter for subsidy disbursement should contain information about the amount of subsidy withheld and/or disallowed along with the reasons indicated against them.
4. Service Areas that include more than one Circle, the payment details of subsidy admissible/withheld/disallowed may be prepared and endorsed to both the Circles.
5. Wherever the subsidy is disbursed to BSNL, a copy of payment details may also be endorsed to the 'DDG (RN), BSNL Corporate Office, Statesmen House, Barakhamba Road, New Delhi-110 001' .

DOT No. 30-14/2004-USOF dated 10.08.2005

To M/s BSNL, M/s Reliance Infocomm Ltd., M/s Tata Teleservices Ltd., M/s Tata Teleservices (Maharashtra) Ltd.

Subject: Explanation to the Claim Statement in the Agreement for Rural Household DELs installed from 1.4.2002 to 31.3.2005 and 1.4.2005 to 31.3.2007 – Modification to the Last Clarification

The last paragraph (vi) of this office letter of even number dated 24.05.2005 has been modified and the modified clarification may be read as follows.

Modified clarification:

(vi) "For those SSAs where the Equated Annual Subsidy is zero, Rs. 250/- (Two hundred and Fifty only) shall be taken as the Equated Annual Subsidy rate at which deduction shall be calculated on prorata basis for faults beyond 7 days.

For RDELs remaining faulty for 45 (Forty Five) days or more during the quarter, Rs. 62.50 (Rs. Sixty Two and Paise Fifty only) shall be deducted."

DOT No. 30-133/2006-USF(Vol. V) dated 07.06.2006

To BSNL

Subject: Modification of Condition No.17.1, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement towards Provision of RCPs (30-133/2004-USF dated 30-09-2004) for UP(W) and UP(E) Service Area

This is with reference to ADG(P), BSNL Corporate Office letter number 0 20-2/2205-USO (RCP) dated 26.12.2005 regarding revision in number of RCPs to be provided in Agra SSA of UP (W) Service Area, on account of 85 villages (list attached) out of 429 villages falling under the jurisdiction of Mainpuri SSA of UP(E) Service Area.

2. The Administrator, Universal Service Obligation Fund has agreed to permit M/s BSNL to provide RCPs in 85 villages falling under Mainpuri SSA of UP (E) Service Area on the rates of Mainpuri SSA for which the Agreement has already been signed

with M/s RIL. Accordingly, in terms of Condition 18.13 of the captioned Agreements, Administrator USOF has agreed to modify condition No.17.1, Part IV, Financial Conditions for number and subsidy disbursement towards provision of RCPs in UP (W) and UP (E) Service Area, as per details given below:

2.1 Existing Condition 17.1 of UP (W) Service Area:

17.0 Subsidy from Universal Service Obligation Fund (USOF)

17.1 SSA-wise Representative rate, at which subsidy is disbursable, shall be as follows:

Sl. No	Name of SSA	Total no. of RCPs to be provided	Representative Rate per RCP (in Rs.)	
			Front Loaded Subsidy	Equated Annual Subsidy
1.	ALMORA	5	25000	3900
2.	AGRA	429	21875	2275
3.	TOTAL	434		

Modified Condition 17.1 of UP (W) Service Area:

17.0 Subsidy from Universal Service Obligation Fund (USOF)

17.1 SSA-wise Representative rate, of which subsidy is disbursable, shall be as follows:

Sl. No.	Name of SSA	Total no. of RCPs to be provided	Representative Rate per TCP (in Rs.)	
			Front Loaded Subsidy	Equated Annual Subsidy
1.	ALMORA	5	25000	3900
2.	AGRA	344	21875	2275
	TOTAL	349		

2.2. Existing Condition 17.1 of UP(E) Service Area

17.0 Subsidy from Universal Service Obligation Fund (USOF)

17.1 SSA-wise Representative rate, at which subsidy is disbursable, shall be as follows:

Sl. No	Name of SSA	Total no. of RCPs to be provided	Representative Rate per TCP (in Rs.)	
			Front Loaded Subsidy	Equated Annual Subsidy
1.	BAHARAICH	331	25000	2700
2.	BANDA	201	25000	2700
3.	BASTI	120	25000	2500
4.	GORAKHPUR	327	25000	2700
5.	HAMIRPUR	151	25000	2600
6.	JAUNPUR	151	25000	2500
7.	JHANSI	121	25000	2500
8.	LAKHIMPUR KHERI	256	25000	2600
9.	MIRZAPUR	165	25000	2500
10.	ORAI	87	25000	2500
11	PRATAPGARH	221	25000	2500
12	SHAHJAHANPUR	79	25000	2400
	TOTAL	2210		

Modified Condition 17.1 of UP (E) Service Area:

17.0 Subsidy from Universal Service Obligation Fund (USOF)

17.1 SSA-wise Representative rate, at which subsidy is disbursable, shall be as follows:

Sl. No	Name of SSA	Total no. of RCPs to be provided	Representative Rate per TCP (in Rs.)	
			Front Loaded Subsidy	Equated Annual Subsidy
1.	BHARAICH	331	25000	2700
2.	BANDA	201	25000	2700
3.	BASTI	120	25000	2500
4.	GORAKHPUR	327	25000	2700
5.	HAMIRPUR	151	25000	2600
6.	JAUNPUR	151	25000	2500
7.	JHANSI	121	25000	2500
8.	LAKHIMPUR KHERI	256	25000	2600
9	MAINPURI	85	22250	1670
10.	MIRZAPUR	165	25000	2500
11.	ORAI	87	25000	2500
12	PRATAPGARH	221	25000	2500
13	SHAHJAHANPUR	79	25000	2400
	TOTAL	2295		

3. It is requested that one copy of this letter may kindly be signed by the authorized signatory of the company in token of acceptance of the above said modifications, for record and further action at this office.
4. You are further required to submit the claims for the quarterly subsidy accordingly.

Enclosed: Two additional copies of this letter to be returned back duly signed as required above.

DOT No. 1-4/2006-USF dated 05.01.2007

To all CCAs/ Jt. CCAs

Subject: Non-availability of Interconnection – Settlement of Subsidy Claims reg.

It has been brought to the notice of Administrator USOF that some of the CCAs are holding the release of RDEL subsidy on the ground that RDELs of the claimant USP are not having interconnectivity with the network of other operators.

It is hereby clarified that the subsidy claim should not be held up on account of lack of interconnectivity with other networks.

DOT No. 30-15/2004/USOF(Vol.-III) dated 10.02.2007

To the Sr. CCA Delhi

Subject: Settlement of Claims, Clarification – regarding

I am directed to refer to your reference on the above subject and to state that:

1. Letter No. 1-9/USF/RCPs/Rel/05-06/13 dated 29.09.06

In usual circumstances the issue of first bill/ inclusion of the number in the billing record is prima facie proof of RCP having been operationalised. Verification through dialing is one extra step for check. Since in this process a significant percentage i.e. 68% has been found not responding on dialing, reference to Service Provider with details of non responding RCPs needs to be made and further necessary action is to be taken on receipt of the satisfactory reply. 100% verification by dialing has not been made mandatory. As to the physical verification of the RCPs, it is clarified that this can be done by the CCA, UP (W) or Sr. CCA Delhi as they may like to settle under mutual discussion. It has been gathered from the correspondences of the o/o Sr. CCA Delhi that CCA UP (W) is in any case doing verifications for facilitating payments by the Sr. CCA Delhi (Your letter No.CCA/USF/06-07 dated 15.6.06). In this regards an instruction has also been issued by this office vide letter No.30-15/2004-USOF (VOL-III) dated 31.03.2005.

2. Letter No. CCA/USF/06-07/56 dated 15-05-2006

In case where verified data has been provided by the office of CCA, UP (W) in respect of subsidy claims of various activities under USO, the claim may be finally settled in respect of the due and admissible amount. However, if some additional information/ data is required either from the CCA, UP (W), or from the USP, the same may be called for and the claims be settled according to the terms and conditions of the agreement and instructions issued from time to time.

3. Letter No. CCA/USF/05-06/USO/66 dated 16-03-2006

In case the original claim was submitted within the time and the claim now being revised does not contain new RCP numbers, it would be appropriate to accept the revised claim for processing. In case however, the revised claims contains New RCP numbers resulting it to additional claim, then full particulars-of old and revised claims may be furnished to this office for further processing the case for condoning the delay.

4. Letter No. 1-9/USF/TATA/05-06/5 dated 23.01.2006

If all the numbers are showing zero reading, the matter requires to be checked up with the USP and further action to be taken as per agreement on receipt of reply from him. About accessibility of telephones, clarification may be sought from operator and if it is on account of lack of interconnectivity to the network of other operators it may be dealt with as per our instructions issued vide letter No. 14/2006-USF dated 05-01-07 (copy enclosed)

Encl.: as above (Enclosure to this i.e. No. 1-4/2006-USF dated 05-01-07 printed above)

DOT No. 30-12/2004-USOF/UP(E)/D-114-138 dated 20.02.2007
To CCA UP (East)

Subject: **Various Issues about Subsidy Disbursement in respect of RCPs and RDELS – Issue of Clarification – reg.**

Reference: **No. CCA/UP(E)/USO/GEN.CORR/2006-07/15905 dated 26.12.2006**

The issues raised vide your above reference are hereby clarified as under:

1. Whether RCP/ RDEL can be provided as prepaid connection:

The agreement does not prevent USP from providing connections on prepaid mode.

2. History/ Master Data of all Telephones:

For settlement of the claim whatever documents are required, they have been prescribed under the agreement and subsequent instructions. It is not considered necessary that Master data/ History sheets of all the telephones with all the details are required for settlement of claim. The operators are required to provide the details of fault and disconnection as per the format prescribed in the agreement and subsequent instructions and CCAs can satisfy themselves by sample check.

3. Outgoing Facility not being Available on RDELS/ RCPs:

About outgoing facility not being available on RDELS or there being no incremental meter readings on RDELS it is clarified that under the provisions of the RDELS agreement, there is no provision for deducting/ withholding subsidy for such instance.

As to the RCPs not having the outgoing facility, and hence not having incremental readings, USP will not be eligible for subsidy for such cases according to the terms of the agreement.

DOT No. 1-4/2005-USOF/RDEL(RIL)/D-139-176 dated 20.02.2007
To all CCAs/ Jt. CCAs

Subject: **Clarification with respect to Applicability of Standard Tariff Package**

It has been brought to the notice of Administrator (USO), that USPs are offering alternative tariff packages to the rural subscribers in specified SDCAs under the RDELS agreements.

It is hereby clarified that under the agreement the subsidy in specified SDCAs on representative rate for RDELS is payable only if USP charges a tariff as indicated in Annexure of the agreement or lower than that.

DOT No. 1-4/2006-USF/RDEL/11 dated 23.02.2007
To all USPs

Subject: **Modification in Attachment 2/2 to Annexure-1 for RDEL Subsidy Claim**

Some CCAs have suggested to modify the Attachment 2/2 to Annexure-1 of RDEL claim. The matter has been examined and it has been decided by the competent authority to modify the Attachment to accommodate the following additional information:

1. Exchange/BTS capacity
2. Village Name
3. Census Village Code

In addition to the above items information USPs shall submit the detail of tariff plan being charged to the RDEL customers. The revised format of the Attachment is enclosed herewith.

The RDEL claim for the quarter ending 31/03/2007 and thereafter should be submitted along with the revised attachment.

Encl.: a/a

(The enclosure (format) is printed with the next letter)

DOT No. 1-4/2006-USF/RDEL/12 dated 12.03.2007

To all USPs

Subject: **Modification in Attachment 2/2 to Annexure-1 for RDEL Subsidy Claim**

Reference: **Letter No. 1-4/2006-USF/RDEL/11 dated 23.02.2007**

With reference to the above letter issued by this office, column relating to RDEL No. was inadvertently deleted from the format of Attachment 2/2 to Annexure-I. Please find enclosed herewith the corrected revised format of the attachment.

Encl.: a/a

Revised Format for Attachment 2/2 to Annexure I

(Agreement No. _____ Dated ____ for RDELS)

Claim statement for equated annual subsidy for Rural Household DELs installed after _____

Name of Service Provider:

Name of Service Area:

Name of the SSA:

Sl. No.	Name of SDCA	Name of Exchange/ BTS	Exchange/ BTS capacity	Representative rate of Equated Qtly subsidy = (Equated Annual Subsidy/4)	RDEL No.	Village name	Census village code	Date of Installation
1	2	3	4	5	6	7	8	9
1	A	B						
2	A	B						
3	A	B						
Total No. of working RDELS in the local Exchange area at the end of Qtr =								
1	A	C						
2	A	C						

Technology	Period for which RDEL remained faulty		No. of days RDEL remained non-functional including from and to days (both)	Date of permanent closure on account of DNP, shift out of exchange or surrender	No. of days of existence of RDEL in the Qtr. (refer note3)	Qtly equated subsidy payable = (column 5* column 15)/ No. of days in the Qtr.	Deduction on account of non-functional period, as calculated w.r.t. note 5 below	Net payable = (column 16- column 17)
	From	To						
10	11	12	13	14	15	16	17	18
Total No. of working RDELS in the local Exchange area at the end of Qtr =								

1	A	C																
2	A	C																
Total no. of working RDELS in the local exchange area at the end of Qtr =																		
Total no. of working RDELS in the SDCA at the end of Qtr =																		
Total no. of working RDELS in the SSA at the end of Qtr =																		

Note:

1. DELs for the purpose of this statement shall be confined to only Rural household DELs on fixed landline telephony service including wireless in local loop (fixed). Rural DELs shall be the same as rural subscribers defined in conducting the Census and in application of rural Tariffs. VPTs, RCPs, PCOs, WLL (Mobile) and other mobile connections should be EXCLUDED from this claim.
2. The source of information for filing this claim shall be the Billing record.
3. In case of new installation, the period shall be reckoned from the date of installation. For RDEL in the earlier Qtr. no. of days shall be the full Qtr. In case of permanent closure it shall be upto and including the date of closure. Where the subsidy claim is for less than a quarter, the claim shall be submitted on a prorata basis for the actual duration for which Rural Household DEL remained functional in the quarter.
4. The subsidy deduction for faults less than 7 days is nil, for duration of faults more than 7 days but less than 45 days, prorata deduction as shown below is to be done. For faults for 45 days or more, Equated quarterly subsidy component for the entire quarter is to be deducted. For SDCAs where Equated annual subsidy is zero Rs. 250 shall be taken as the rate for equated annual subsidy at which deductions shall be calculated.
5. Pro-rata deduction of subsidy for fault period=(Equated quarterly subsidy x No of days of fault) /No. of days in the quarter.
6. The tariff plan charged to RDEL subscribers shall be attached with the attachment.

Signature of authorized signatory along with Company seal

DOT No. 1-4/2006-USOF/RDEL (pt.) dated 21.03.2007

Subject: Clarification regarding RDELs Claims

With reference to your letter No. CCA/HR/US-subsidy/RDELs misc./1 dated 05.01.2007 the following issues were under consideration of the USOF for issue of clarification:

1. RDELs being provided to the several family members of one family at same address or multiple connections are provided in the name of one person at one address.
Clarification: In this connection it is clarified that CCA may conduct a random check on such cases. If the misuse is identified the subsidy may be held up for all such cases.
2. Private USPs are giving connections with two years incoming free etc. which often translates into zero usages right from the day of Installation. It is there-fore difficult for CCA to verify as to whether the phone is functional.
Clarification: Under agreement there is no restriction on giving connection with incoming free. The phone functioning is to be checked by sample check.
3. RDELs are provided in one quarter against full front loaded subsidy and very often these connections are disconnected in the very next quarter. USPs is generally not reflecting the status of closed RDELs correctly in subsidy claims.
Clarification: The subsidy is to be provided for Net Lines which are to be worked out after taking into account the closed connections. As far the point of USPs not reflecting the status of closed RDELs correctly is concerned, CCA should insist on that and should also carry out random check. If misuse found, the subsidy paid, should be recovered from future payments. If such cases are noticed "very often" the CCA's should refer the cases to USOF A for imposing penalties.
4. DELs working in shops/ factories and being used as commercial connection are wrongly claimed as RDELs.
Clarification: As per definition given under PART-IV, clause no. 30.16 of the RDELs agreement, 'Rural Household DELs means rural DELs installed in rural areas as defined in conducting the census and located in eligible net cost positive SDCAs'. Accordingly if the DELs working in shops/ factories and being used as commercial connection are in rural areas, such DELs are eligible for subsidy provided all terms and conditions of agreement are met with.

DOT No. 30-12/2006-USF dated 29.03.2007

To all CCAs/ Jt. CCAs

Subject: Guidelines for the Preparation of Inspection Reports

CCA offices have been authorized by the USOF for monitoring the activities which are subsidized through various agreements. A check list for monitoring has already been provided under chapter 8 of the Manual. However, this Office is getting inspection reports from various CCA offices which are prepared in different ways. To bring the uniformity, the following guidelines may kindly be observed while preparing and after sending the inspection reports in this office:

1. The report should be prepared operator-wise and activity-wise.
2. The content should be in the context of the applicable agreement.
3. The terms and conditions of the agreement which have not been complied with by the USP should be clearly mentioned.
4. The copies of the report should invariably be sent to the concerned USP's regional office and Head office.
5. Action taken report should invariably be called from USP on the deficiencies noticed during the inspection.
6. The action taken by the CCA office and the clause of the agreement and/ or any other instruction/s under which action has been taken should always be mentioned.
7. An executive summary highlighting the issues whereon decision of USOF HQ is required, should invariably accompany the report.
8. These are only indicative guidelines and are not exhaustive keeping in view the scope of the agreement. These are to be followed in respect of all the inspection reports to be sent to this office in future.

DOT No. 30-15/2007-USOF/(Vol.-III) dated 25.04.2007

To all Sr. CCAs/ CCAs/ Jt. CCAs

Subject: RDELs Installed during the Q.E. March 2007 under Agreement dated 03.2005

The last claim for front loaded subsidy for RDELs in respect of Agreement No.30-140/2004-USF dated 03-2005 is due to be received by 30.04.2007. During this period the operators have reportedly provided a large no. of RDELs in different parts of the country. In order to verify the authenticity of their claims, it has been decided that CCAs should, apart from exercising the

usual checks as per extant instructions, call for additional record i.e. Call Data Records (CDR) for a larger sample of Nos. say 25% of the claimed Nos. Wherever land lines have been provided, the operators may be asked to furnish Opening Meter Reading (OM R) and Closing Meter Reading (CMR) of the sampled Nos.

DOT No. 30-15/2007-USO-F dated 26.04.2007

To M/s BSNL, Reliance Infocomm Ltd., Tata Teleservices Ltd., Tata Teleservices (Maharashtra) Ltd.

Subject: RDELS Installed during the Quarter Ending March 2007 under Agreement dated 03.2005 - regarding

As you are aware that front loaded subsidy claims in respect of Q.E. 31.3.2007 pertaining to RDEL Agreement No.30-140/2004-USF are due to be submitted to CCAs by 30.4.2007.

2. In order to enable CCAs to satisfy themselves about the subsidy claims of their quarter, it has been decided that USPs should provide them Call Data Records (CDRs) in respect of sampled Nos. to the extent of 25% of the claimed Nos.
3. The list of sampled Nos. in respect of which Call Data Records (CDR) are to be provided by the USP, shall be provided by the CCAs. Wherever the land lines have been provided, Opening Meter Reading (OMR) and Closing Meter Reading (CMR) of such lines may be provided if they are included in the sample.
4. This is in addition to the usual checks which CCAs carry out routinely.

DOT No. 30-15/2004-USF/(Vol.-III)Pt. dated 28.05.2007

To all Sr. CCAs/ CCAs/ Jt. CCAs

Subject: Levy and Recovery of Liquidated Damage Charges from the Universal Service Providers

Roll out period in respect of under mentioned agreements for the provision and maintenance of basic telegraph services in rural and remote areas within the purview of USO have already expired/ would be expiring as per the provisions contained in the terms conditions of the agreements of these activities as modified/ extended from time to time:

Sl. No.	Activity	Agreement
1.	VPT in uncovered Villages(New VPTs)	30-130/2004-USF dated 11/04
2.	RCP	30-133/2004-USF Dated 09/04
3.	Replacement of MARR VPTS w.e.f.01-07-03	30-107/2002-USF dated 25/09/03
4.	RDELS installed between 01-04-05 and 31-03-07	30-140/2004-USF dated 03/05

It is requested that action for levying of Liquidated Damage charges (LD Charges), wherever applicable for non fulfillment of roll out obligation, as spelt out in Para 25 of terms and conditions of the respective agreement and further modified/ extended from time to time, may kindly be taken immediately.

DOT No. 1-1/2007/VPTs/USO (pt) dated 22.06.2007

Subject: Detailed Analysis of functioning of VPTs

VPTs are a critical component lying at the very core of the Department's commitment to provide Universal public access to citizens of our country, especially those residing in rural and remote areas.

While under USO funding through various agreements, we have been successful in providing VPTs in 6.20 lakh out of 6.62 lakh villages, unfortunately the status of these VPTs in term of continued service of requisite quality leaves much to be desired due to various underlying reasons as follows: A fair number of VPTs are lying disconnected or are permanently closed. Many are non-functional due to technical faults, while others are lacking in public access. These issues were reiterated during the seminar for Heads of CCAs on USO held by NICF from 18th to 19th June 2007.

As field officers of DOT entrusted with the responsibility of subsidy disbursement and monitoring the implementation of USO agreements, CCAs offices have a key role to play in providing valuable inputs and suggestions for the improvement of the performance and effectiveness of the VPT schemes. Therefore, it is requested that feedback on the below mentioned lines may kindly be provided by 21/7/2007 to enable USO Administration to analyze & take necessary corrective action. A proforma for feedback is attached as appendix. Wherever possible, comments may kindly be supported by statistics and analysis as well as workable recommendations.

<i>Annexure I</i>				
Total No. of VPTs in CCA _____				
<u>Part A</u>				
A No. of VPTs DNP (Details to be supplied in Annexure B)	B No. of Closed VPTs (Details to be supplied in Annexure C)	C No. of Faulty VPTs (Details to be supplied in Annexure D)	D No. of VPTs which are non-functional for any other reasons	
<u>Part B</u>				
<ol style="list-style-type: none"> 1. Location of VPTs: please specify existing situation and give suggestions for remedial action 2. Non-availability of charge indicators: Please specify existing situation and give suggestions for remedial action 3. Non-availability of 95 facility: Please specify existing situation and give suggestions for remedial action 4. Lack of Public Access: 5. Tariff Analysis of <ol style="list-style-type: none"> (a) STD VPTs as compared to STD PCOs of BSNL (b) STD VPT vis-à-vis Pvt STD PCOs in concerned region to establish relative disadvantage if any faced by STD VPT franchisees in terms of business. 6. Reasons for frequent disconnection. 7. Any other issues & suggestions. 				
<i>Annexure II</i>				
Annexure B				
Sl. No.	Name of SSA	SDCA	VPT No.	DNP since
Annexure C				
Sl. No.	Name of SSA	SDCA	VPT No.	Closed since
Annexure D				
Sl. No.	Name of SSA	SDCA	VPT No.	Faulty since
Note: Required data may be furnished in Excel sheet. Date format should be in DD/MM/YYYY.				

DOT No. 30-12/USOF (IR) dated 25.06.2007
to all CCAs

Subject: Field Inspection Report in respect RDELs

CCA Kerala only:

On perusal of your letter No.CCA/KRL/5-39/2006-07 dated 12/6/2007 it has been observed that the office of the CCA of Kerala has adopted a thorough and sound mechanism to ensure the correctness of RDELs claim, comprising of a combination of dialing, verification from records, physical verification and cross tallying of available records and data. This is appreciable. The use of postcards to verify location, tariff and ascertain subscriber satisfaction is an interesting innovation to elicit the much-needed feedback from target beneficiaries.

All CCAs:

With a view to check the authenticity of RDEL claims, especially for the agreement in which RDELs were to be installed up to 31/3/2007, certain additional checks have been prescribed by this office vide letter No. 30-15/2007 USOF-(Vol. III) dated 25th April and 26th April 2007.

2. The quality of field level implementation of USO agreements concerning RDELs varies from circle to circle and the problems with respect to:

- Urban DELs being wrongly claimed as rural.
- Non-functionality of RDELs
- Incorrect tariff being charged
- Quality of service

may not exist at all, or, may exist in different measures in various CCAs. Nevertheless, it is advisable for all CCAs to exercise thorough checks and due vigilance to ensure that the RDEL agreements are implemented in accordance with their stated

objective of providing effective connectivity to rural population. In this regard, a copy CCA Kerala's letter No. CCA/KRL/5-39/2006-07 dated 12/6/2007 is enclosed. The systematic method devised for verification of RDELs by CCA Kerala may be considered for adoption by other CCA offices to the extent that the same are appropriate, given the specific situation prevailing in their area of jurisdiction

3. In this regard, it has been directed by the administrator USOF that the best practices adopted in the field of USO by CCA Offices shall be regularly highlighted and compiled by this office and circulated for the benefit of all other CCAs. It is therefore requested that a brief may be sent on significant and noteworthy practices that are being implemented in your office with respect to claim settlement, verification, awareness creation, and partnership with USPs etc which are worth emulating and would help other CCAs to perform USO functions better. You are also encouraged to send in your feedback on any other USO related issue. While sending in your brief/ comments it may kindly be ensured that the write up is sufficiently clear and is substantiated with appropriate statistics and analysis. In case specific software is being used successfully in your office for claim verification/ settlement, a soft copy of the same may kindly be supplied to this office (for e.g. software for cross verification of claims with billing data) so that other CCAs may benefit from adoption of the same. The first round of write-ups detailing best practices/ feedback may kindly be sent in by 25.7.2007.

Encl: As above

Enclosure

No. CCA/KRL/5-39/2006-07 dated 12.06.2007

Subject: Field Inspection Report for Provision and Maintenance of RDELs provided by M/s Reliance in selected SDCAs of Kerala Service Area during the period 1.4.2002 to 31.3.2005

Submitted herewith for kind perusal, post-payment joint physical verification report of RDELs in selected five SDCAs of Kerala Service area, provided by M/s Reliance Communications as per the Agreement No. 30-145/2004-USF dated 26th August 2005.

Final settlement of the claim submitted by the USP for the period is yet to be completed, since the USP has been advised to furnish some more documents which need scrutiny to verify the authenticity of the claim as per DoT guidelines. However, a review of the status of pending claims was conducted on 8th June, 2007 in presence of the representative of the USP and a detail programme of action has been chalked out to settle the claims on priority basis.

**Report on Post Payment Physical Verification of Rdels Provided by
M/s. Reliance Infocomm in Kerala Service Area in the Selected SDCAs**

M/s Reliance Infocomm (an USP) had entered into an Agreement with Government of India on 26.8.2005 for subsidy support towards providing and maintaining RDELs in selected SDCAs of Kerala Service Area during the period 1.4.2002 to 31.3.2005 under Indian Telegraph (Amendment) Rules, 2004 vide Agreement No. 30-145/2004-USF dated 26th August 2005, with a validity period of eight years w.e.f. 1.4.2002.

In accordance to the Agreement, the USP had initially submitted a claim for Rs. 7,63,47,687 (Rupees seven crores, sixty three lakhs, forty seven thousand, six hundred eighty seven only) as front loaded subsidy for providing 12,469 RDELs in Kottayam (Kottayam SSA), Thodupuzha (Ernakulam SSA), Palghat (Palghat SDCA), Calicut and Badagara SDCAs (Calicut SSA) of Kerala Service area. The USP had revised its claim to Rs. 2,26,18,362 (Rupees two crores, twenty six lakhs, eighteen thousand, three hundred and sixty two only), claiming subsidy only against 3,694 numbers as against the original claim for 12,469 R-DELs, in accordance with the directions issued vide DoT order No. 1-4/2005-USF RDEL/84 dated 24.4.2006.

No subsidy could be disbursed to the USP till it submitted its audit report as per the directions of USF Administration vide DoT Order No. 1-4/2005/USOF/RDEL(RIL)/87 dated 24.4.2006 for submitting appropriate proof with regard to the rural tariff conditions laid down in the Agreement.

Inspection Mechanism:

As per the terms and conditions of the Agreement and in accordance with para 8.1 of the Instruction Manual of Disbursement of Subsidy from USO Fund, a two-tier inspection mechanism was devised for verifying the correctness of the revised claim submitted by the USP for subsidy support in the selected SDCAs of Kerala Service Area.

Pre-payment Verification:

The first tier of inspection which can be broadly categorised as pre-payment verification constituted of the following steps:

1st Step: All the numbers against which subsidy was claimed were contacted over telephone and information was collected from all the subscribers who could be contacted regarding name and address of the subscriber, physical location of the telephone (specifically whether village or town), type of instrument provided by the USP (mobile or fixed Wireless Telephone), tariff model adopted by the USP/ preferred by the subscriber (pre-paid or post-paid), date of installation and service quality.

The category of subscribers with whom tele-contact could not be established after trying to contact them three times can be classified broadly into three categories such as "Number ringing but no response", "telephone switched off/ not reachable" and "this number does not exist".

The USP was asked to submit detailed proof for providing telephone connections against those subscribers who could not be contacted telephonically. Accordingly, the USP had submitted CAF details (application form of the subscriber) and billing details/ accounts details (detail record in which bills raised against one individual subscriber and payment received to that effect is recorded) against all those numbers except for 170 numbers in four SDCAs. The USP had intimated that the CAF of details in respect of these numbers specifically the original application forms of the subscribers were lost in flood in Mumbai for which complaint was lodged with Police. However, the USP had provided their account details which are available in their system. Since the accounts details cannot be accepted as concrete proof of installation and functioning of the DEL in the respective SDCAs, the USP was advised to furnish further proof, if any, including CDR details as directed by DoT Hqrs recently for accepting the claim against these numbers.

2nd Step: So far as the subscribers' response who could be contacted is concerned, the locality factor as intimated by the subscriber himself over telephone was taken as the critical factor and a sample size for each SDCA for pre-payment physical joint verification was decided by selecting those numbers where the subscribers' response regarding locality appeared to be urban. SDCA-wise detail of sample size and the result of physical joint verification of the numbers against which claim was submitted by the USP stands as below:

SDCA	No. of DELs Claimed	Sample size selected for pre-payment joint physical verification	DELs identified as Urban after joint field verification	DELs identified as rural after joint field verification
Kottayam	1161	65	8	57
Thodupuzha	47	25	6	19
Palghat	289	38	5	33
Calicut	1308	250	81	167
Badagara	889	69	15	54
Total	3694	447	113	334

The prepayment joint physical verification of the RDELs was conducted by Jt. CCA, Kerala Circle along with Dy. CCA, CAO (LF), JCAO (LF) and JCAO (Admn.) in presence of the representatives of the USP. The joint verification mechanism adopted for verification of the authenticity of the claim has helped in resolving the difference of opinion about the location of the DELs in rural vis-a-vis urban areas.

Subsidy to the tune of Rs. 2 crores was released provisionally in favour of the USP after completion of the pre-payment verification, keeping Rs. 26,18,362/- as unresolved amount in anticipation of settlement of the same after completion of the verification process, because of the conflicting situation which prevailed earlier leading to issue of a specific instruction by DoT Hqrs for revising the claim submitted by the USP at the first instance and also in view of the P&T Audit observations on the contents of the claim statement.

Post-payment Verification: The post payment verification constituted of the following steps.

1st Step: Scrutiny of the CAF details submitted by the USP with that of the billing/accounts details specifically with reference to the unique CAF number which is available on the application form and the billing records wherein the indicator number of the telephone is available.

2nd Step: Scrutiny of the address details available in the application form of the subscriber with that of the address details furnished by the USP against each RDELs in the claim details.

3rd Step: Reconciliation of the CAF and billing details submitted by the USP with that of the Tele-call register wherein details of subscribers' response or otherwise is recorded after contacting them over telephone.

4th Step: As decided earlier, a team led by CCA conducted post-payment physical verification of RDELs from amongst a sample size randomly selected, which were not included in the pre-payment physical verification. SDCA-wise result for the post-payment verification stands as below:

SDCA	Sample Size	RDELs identified as urban during post-payment joint verification
Kottayam	60	Nil
Thodupuzha	5	Nil
Palghat	15	Nil
Calicut	66	3
Badagara	45	Nil
Total	191	3

During the post-payment joint physical verification, all the BTSes from which RDELs were provided by the USP during the period 1.4.2002 to 31.3.05 were physically verified specifically with respect to their location and coverage areas in the SDCAs. Detail location of the BTSes in each SDCA with their rural coverage area and capacity including working load as on 31st March 2005 is appended as Appendix A*.

Further, an area specific scrutiny during the post-payment physical verification was also conducted to ensure identification of urban DELs from amongst the numbers which could not be covered in the sample sizes of both physical verifications conducted at both stages. On the basis of the area identification scrutiny a specific area namely, West Hill in Calicut was identified as urban area and it was decided in

consultation with the USP that all the DELs provided in West Hill area against which subsidy claim has made shall be disallowed. Similarly, a part of Fathimapuram area in Changanassery municipality under Kottayam SDCA was also identified as urban area and selective connections provided in the urbanised part of the village are to be disallowed because of their urban location.

5th Step: To enhance the base of verification, it has been decided to obtain subscribers' response by post and letters have been sent to 175 randomly selected subscribers to send their comments specifically with regard to their location (urban or rural), service quality and tariff at which they are being charged by the USP. Any adverse response from these selected subscribers shall be communicated to the USP and in case their reaction bears any relevance on the subsidy disbursed to the USP, the same shall be claimed back from the USP or adjusted against the pending claims.

During the post payment physical verification, the USP was asked to submit a complete list of PCOs that have been provided in those SDCAs during the period for which subsidy was disbursed as per the Agreement and service numbers (Telephone numbers installed by the USP for its internal use purpose). The USP has promised to submit the same which will be further reconciled with the data submitted for claim and in case any PCO or service number is identified in the claim statement, claim for the same shall be disallowed.

* Not available

DOT No. 1-4/2006-USO(F)/RDEL(Pt) dated 02.07.2007

To the Jt. CCA Haryana

Subject: Adjustment of Amount Recoverable in respect of RCP Claims

This is with reference to your letter no. CCA/HR/RCP/BSNL/2006-07/37 dated 20.03.2007 wherein you had sought clarification as to how the overpayment made against RCP claims is to be recovered/ adjusted.

It is hereby clarified that as per Set Off Clause of the Agreement (clause no. 12) for "Subsidy Disbursement Towards Provision of Rural Community Phones (RCPs) in Specified Villages Where Population Exceeds 2000 (As per Census 1991)", any sum of money that becomes recoverable from or payable by the USP to the Administrator, can be deducted or adjusted against any amount or sum of money recoverable from or payable to the USP against this Agreement or any other Agreement between the Administrator and the USP. Thus amount recoverable against overpayment in respect of RCP claims can be adjusted against other agreements of the concerned USPs that have been entered into in your service area.

No. 30-130/2007-USF (Vol. VIII) Dated 04.07.2007

To BSNL

Subject: Modification of Condition No. 17.1, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement towards Provision of VPTs (30-130/2004-USF dated 10.11.2004) for Orissa Service Area

Kindly refer to your letter No. 20-2/2006-RD/USO dated 16.04.2007 followed by letter dated 27.06.2007 from GM (0) Orissa Telecom Circle BSNL on the above noted subject.

2. Agreement was signed with MIs BSNL on 10.11.2004 for provision of 4,899 nos. of uncovered villages in Orissa Service Area. As per the agreement all these VPTs were to be provided through Digital Satellite Phone Terminals (DSPTs). The request of M/s BSNL to provide the VPTs on other technologies in place of satellite technology has been considered in view of the fact that network expansion has taken place with augmentation of the CDMA/ GSM equipment and some of the villages can now be provided with VPTs on other technologies.

3. I have been directed to convey the approval of the Administrator, Universal Service Obligation Fund in terms of Condition 18.13 of the captioned Agreement to modify Condition No. 17.1, Part IV: Financial Conditions of the said Agreement for Subsidy disbursement towards provision of VPTs in uncovered villages as per details given below:

Existing Condition 17.1:

17.0 Subsidy from Universal Service Obligation Fund (USOF)

17.1 SSA-wise Representative rate, at which subsidy is disbursable, shall be as follows:

Sl. No.	Name of SSA	Representative Rate per VPT					
		Total no. of VPTs to be provided on		Front Loaded Subsidy (in Rs.)		Equated annual Subsidy (in Rs.)	
		Satellite media	Other than satellite	Satellite media	Other than satellite	Satellite media	Other than satellite
1	Balasore (Kendujhar)	4	----	1,00,000	----	6223*5	----
2	Baripada (Mavurbhani)	86	----	1,00,000	----	6272*5	----

3	Bhubneshwar(Puri)	293	----	1,00,000	----	6223*5	----
4	Bolangir	138	----	1,00,000	----	5978*5	----
5	Cuttack	12	----	1,00,000	----	6272*5	----
6	Dhenkanal	194	----	1,00,000	----	6272*5	----
7	Bhawaniapatna (Kalahandi)	200	----	1,00,000	----	12800*5	----
8	Koraput	1681	----	1,00,000	----	16400*5	----
9	Phulbani	1250	----	1,00,000	----	12800*5	----
10	Sambhalpur	115	----	1,00,000	----	6468*5	----
11	Ganjam (Berhampur)	638	----	1,00,000	----	6419*5	----
12	Sundergarh (Rourkela)	288	----	1,00,000	----	6223*5	----
TOTAL		4899					

Modified Condition 17.1:

17.0 Subsidy from Universal Service Obligation Fund (USOF)

17.1 SSA-wise Representative rate, at which subsidy is disbursable, shall be as follows:

Representative Rate per VPT						
Sl. No.	Name of SSA	Total no. of VPTs to be provided on Satellite Media/ Other than Satellite	Front Loaded Subsidy (in Rs.)		Equated Annual Subsidy (in Rs.)	
			Satellite Media	Other than satellite	Satellite	Other
1	Balasore (Kendujhar)	4	1,00,000	25,000	6223*5	3600*5
2	Baripada (Mavurbhani)	86	1,00,000	25,000	6272*5	3800*5
3	Bhubneshwar (Puri)	293	1,00,000	25,000	6223*5	3700*5
4	Bolangir	138	1,00,000	25,000	5978*5	3200*5
5	Cuttack	12	1,00,000	25,000	6272*5	3800*5
6	Dhenkanal	194	1,00,000	25,000	6272*5	3700*5
7	Bhawaniapatna (Kalahandi)	200	1,00,000	25,000	12800*5	3800*5
8	Koraput	1681	1,00,000	25,000	16400*5	6500*5
9	Phulbani	1250	1,00,000	25,000	12800*5	3700*5
10	Sambhalpur	115	1,00,000	25,000	6468*5	4100*5
11	Berhampur (Ganjam)	638	1,00,000	25,000	6419*5	4000*5
12	Sundergarh (Rourkela)	288	1,00,000	25,000	6223*5	3700*5
TOTAL		4899				

4. You are, therefore, requested to submit the claims for the quarterly subsidy for VPTs provided on satellite/ other technologies accordingly.

5. One copy of this letter may kindly be signed by the authorized signatory of the company in token of acceptance of the above said modification, for record and further action in this office.

Encl: One additional copy of this letter to be returned back duly signed as required above.

DOT No. 30-15/2007/USOF (VOL.-iii)/294-317 dated 21.07.2007

To all Sr. CCAs / CCAs /Jt. CCAs

Subject: Verification of RDELs Installed during the Q.E. March 2007 under Agreement Dated 03/2005

References: No. 30-15/2007 – USOF (Vol.-III) dated 25/04/2007 and 26/04/2007

In continuation with instructions issued vide this office letter under reference, attention is drawn to clause 18.1 of part IV of the agreement wherein it has been mentioned "The Universal Service Provider shall be eligible to submit the claim for front loaded subsidy at the end of the quarter in which rural household DELs are installed and made functional." In this context, it has already been clarified vide this office letter no.1-4/2006-USOF dated 25/05/2007 (copy enclosed), that the date of first outgoing call may be treated as the date on which the RDEL was installed and made functional.

In view of the above, claim on the account of RDELs installed during the Q.E. 31-03-2007 may be entertained for only those RDELs which have registered outgoing calls on or before 31/03/2007.

Number of references have been received from different CCA offices, stating that the USPs are not providing sample CDR data and data as per revised format communicated vide this office letter No. 1-4/ 2006-USF/RDEL/11 dated 23rd February 2007. The USPs may be instructed to submit required data by 31st, August 2007 and you are requested to settle the claims

latest by 30/09/2007, based on the data/ information provided by the USPs.

This issues with the approval of the competent authority.

(HGS Dhakad)
Dy. Administrator (F)

Enclosure

DOT No.1-4/2006-USOF dated 25.05.2007
To the CCA Rajasthan

Subject: Clarification regarding Subsidy Claims of M/s Tata Teleservices Limited for the RDELs Installed in Q.4 of 2005-06 and made Functional in Q.1 of 2006-07

Kindly refer to the letter No.CCA/4-13/06-07/15 dated 4/10/06 vide which representation of M/s Tata Teleservices Limited was forwarded to USOF Hq. The issue was examined and it is clarified that as per the agreement the date of making first outgoing call can be accepted as the date on which RDEL was installed and made functional. The subsidy claim may be processed accordingly.

DOT No. 30-15/2007/USOF (Vol.-III)/318-21 dated 24.07.2007

To: BSNL, TATA Teleservices Ltd., Reliance Communications Ltd., TATA Teleservices Maharashtra,
and copy to all Sr. CCAs / CCAs /Jt. CCAs

Subject: Submission of Additional Data relating to RDELs Claim for Q.E. 31/03/2007

Reference: No. 1-4/2006-USOF/RDEL/11 dated 23/02/07 and No. 30-15/2007-USOF dated 26/04/07

Please refer to above mentioned letters wherein it was communicated that the RDELs claim for the Q.E. 31/03/2007 and thereafter should be submitted in the revised format and CDRs corresponding to 25% of the DELs for which claim has been lodged has to be submitted (copies enclosed for ready reference). It has been reported by the various CCA offices that the compliance to the above instructions is yet to be made by many of the USPs.

In this connection it is intimated that the CCA offices have been instructed to settle the claims by 30.09.2007. In view of this you are requested to provide the requisite information to the CCA offices latest by 31/08/2007.

Enclosed: As above.

(The enclosures to this i.e. No. 1-4/2006-USOF /RDEL/11 dated 23/02/2007 and No. 30-15/2007 USO-F dated 26/04/2007 are already given above).

DOT No. 1-1/2007-USO (F) dated 07.08.2007

To BSNL, Tata Teleservices Ltd., Reliance Communications Ltd., Tata Teleservices Maharashtra

Subject: Settlement of Pending Subsidy Claims

Subsidy claims amounting to approximately 200 crores for the period up to 31/03/2007 (excepting VPTs and MARR VPTs) are pending settlement in CCAs offices mostly for want of certain supporting document and data from the USPs. In order to settle the pending claim the following time schedule is hereby drawn.

Item No.	Action to be taken	Action by	Target date
1	Review of pending claims, compliance to CCA requirements in this regard and coordination with CCA offices to ascertain the wanting data/ documents/ clarifications etc. required for settlement of claims.	USPs CCAs	31.08.07
2	Supply of wanting documents/ information etc. to CCA offices	USPs	20.09.07
3	Scrutiny of replies received from USPs, sending requisitions for funds to USOF HQ	CCAs	10.10.07
4	Authorization of funds by USOF and payment to USPs	1. USOF 2. CCA	31.10.07

It is intimated that if the USPs fail to provide the required documents/ clarifications with respect to withheld amount against

USO claims by the specified target date, the subject will be treated as closed and the claims will be settled accordingly.

(HGS Dhakad)
Dy. Administrator USOF

Copy to: All Pr. CCAs/ CCAs/ Jt. CCAs

DOT No. 1-11/2007-USOF dated 07.08.2007

To all Pr. CCAs/ CCAs/ Jt. CCAs

Subject: **Collection & Maintenance of Database on Rural Telecom Operations by CCA Offices - a proposal**

Kindly provide your valuable comments and views on the note below. The idea is to utilize the services of CCA Offices to maintain an accurate database on rural connections (Public access and private) which will enable the USF Administration in policy formulation and will also serve as an authentic data base maintained internally for various DOT decisions impacting/ regarding rural telecom operations. This has the in-principle approval of the Administrator (USOF). However, it was felt that CCA feedback would be desirable. It is requested that the feedback may kindly be sent by 11.8.2007 by email. It is added that a number of CCAs are yet to respond to request for an official email address to be held securely by a JAG level officer in the CCA Office. Kindly oblige as this would expedite and enrich the much required two way communication between USF Finance at HQ and CCA Offices.

NOTE

1. The maintenance of a comprehensive, verified and updated database on rural operations of service providers in their service area by CCAs would be of great value. The flow of such data to USOF Administration from CCA Offices, would provide a complete & current picture of rural telephony for effective USO policy formulation and implementation.
2. Collection & aggregation of this data is practicable, as CCA Offices interact regularly with Service Providers on account of subsidy claims, license fees & verification and spectrum charges collection and related issues.
3. Such a database would also enable USOF Administration to efficiently assess the immediate and long term impact of various USO schemes such as the forthcoming USO agreement for provision of mobile infrastructure.
4. In the light of the ongoing proposal to map all rural telecom infrastructure using GIS software, it would be very useful to have service provider wise RDEL and rural PCO density too mapped out. This would be in addition to mapping of VPTs and RCPs for which CCA Offices already have the necessary database.
5. As mentioned in **Annexure II** which is the input from USOF Finance regarding proposed GIS mapping proposal, this activity would help us obtain a comprehensive picture as to coverage in terms of public access/ individual access in rural areas as well as a picture of level of concentration/ dispersion and exact volume of the same over the geography of the rural areas. This will help us answer questions such as, is the coverage widespread? Is it concentrated in pockets around semi-urban areas? Around highways? This type of information when depicted visually and co-related with other data being mapped would facilitate analysis and lead to better policy formulation for USO activities. Naturally the technique would be based on RDEL density block say 0-500, 500-1000, 1000-2000, >2000 etc with a separate color/ code for various USPs. PCOs too could be mapped in a similar fashion.
6. In fact after the initial data creation on GIS map at USOF HQ level, subsequent updation of the GIS database in this regard (RDELs and PCOs) can be performed by CCA Offices who would be provided with limited access to underlying database for GIS mapping as well as viewing rights.
7. To begin with each CCA Office would be required to create a district wise village census code based database on numbers of RDELs and PCOs as on 31.3.07. This opening balance would then be updated every quarter by numbers closed or added and net closing balance at end of Quarter.
8. The details would be maintained USP-wise with details of technology as given in the Annexure (Tables I & II)
9. UASL/ Basic/ CMTS Telecom Operators in the Circle will have to be instructed by DOT HQ to provide this data on quarterly basis to CCA office concerned.
10. This information would be checked and consolidated by CCAS and forwarded to USOF Administration in Summary form in Table III separately for PCOs and RDELs
11. If CCAs were to maintain this data it would also be invaluable from point of view of monitoring rural rollout obligations which have important implications in the areas of compliance with terms and conditions roll out of License Agreements and various License Fees/ Spectrum Charges concessions for rural operations (which as on date are not practicable due to the absence of such a database.)

12. It is added that as CCA Offices are already collecting License Fees and Spectrum Charges every Quarter, from Telecom Service Providers. They would now, in addition, receive this data base every quarter and interact with USPs in case of any errors and any validation requirements.
13. Though it appears to be a difficult task as the volume of data will be large, it is not impossible as computerized sheets can be maintained district wise in MS Excel/ Access.
14. It would however be a good idea to involve NIC in designing a simple software for database maintenance in MS Access as a part of the ongoing GIS mapping proposal so that Queries can be made on Technology totals, District totals, etc. on the database and useful reports can be auto-generated.

Annexure II

Incorporation of Visual Presentation of Data on Public Access/ RDEL Concentration

1. The existing facilities under ongoing schemes such as VPTs, RCPs and RDELs too should be mapped on GIS. Also we need to map STD PCOs in rural areas. This would help us obtain a comprehensive picture as to coverage in terms of public access/ individual access in rural areas as well as a picture of level of concentration/ dispersion and exact volume of the same of over the geography of the rural areas. This will help us answer questions such as, is the coverage widespread? Is it concentrated in pockets around semi-urban areas? This type of information when depicted visually and correlated with other data being mapped would facilitate analysis and lead to better policy formulation for USO activities.
2. As the initiation and sustenance of this mapping activity would require a robust database collection and management system being put in place, it is recommended that the initial data should be collected and fed for a cut of date, say as on 31.3.07 at HQ level. As the CCAs are the field level repository of this database, (except for STD PCOs which they will be required to collect afresh), they would be given specific formats in which to collect, verify and supply this data within a specified time frame. The data will be corrected (for errors in format etc.) and consolidated at USOF HQ and mapped.
3. Subsequent updation and maintenance shall be done by CCAs as they will be in a position to know increase and decrease in numbers and changes/ additions in locations at field level. For this they will have virtual access to the database on NIC server through password facility.
4. As the present database management is not standardized and complete, NIC should provide two DBA cum data entry personnel as a part of this project who will assist the USOF (F) at HQ to create the necessary MIS reports in appropriate formats; to consolidate the data submitted by CCAs and to feed and maintain the same over a period of at least one and a half to two years. While doing so they will also undertake to train two departmental staff members in these activities.
5. This would include data collected from CCAs regarding completed infrastructure sites/ BTS commissioned and perhaps at a later stage we may like to map the DELs provided under this scheme.
6. Mapping of DELs would of course be by category of concentration, say: 0-500, 500-1000, 1000-2000, above 2000 and USP. Thus at a glance we know at macro-level how many areas already have good coverage in terms of intra-village level, where are the facilities concentrated.

Annexure

TABLE I
RDEL DATA BY CENSUS CODE AND TECHNOLOGY FOR CCA
 Name of USP Q.E.

Quarterly data as on	Village Census code (2001) (2)	Name of village (3)	Opening Balance (4)				Added during Quarter (5)			
			LL	WLL Mob	WLL FWT	GSM	LL	WLL Mob	WLL FWT	GSM
1.4.07 etc.										
Total for quarter										

Closed during Quarter (6)				Closing balance (7)			
LL	WLL Mob	WLL FWT	GSM	LL	WLL Mob	WLL FWT	GSM

TABLE II
Rural PCO DATA BY CENSUS CODE AND TECHNOLOGY FOR CCA

Name of USP Q.E

Quarterly data as on	Village Census code (2001) (2)	Name of village (3)	Opening Balance (4)				Added during Quarter (5)			
			LL	WLL Mob	WLL FWT	GSM	LL	WLL Mob	WLL FWT	GSM
1.4.07 etc.										
Total for quarter										

Closed during Quarter (6)				Closing balance (7)			
LL	WLL Mob	WLL FWT	GSM	LL	WLL Mob	WLL FWT	GSM

TABLE II
RDEL/ PCO Summary for CCA

To be forwarded to USOF Administration by 20th of month following end of Quarter

Quarterly Data as on	Name of USP	Name of District	Number of RDELs/ PCOs			
			LL	WLL Mob	WLL FWT	GSM
1.4.07 etc	USP-I	District-I				
	USP-II					
	District-I total					
		District-II				
	USP-I					
	USP-II					
	District-II total					
	Circle Total					

DOT No. 30-39/2006 USF (Pt) dated 20.08.2007

To all CCAs

Subject: **Scheme for Subsidy Support from USO Fund for Provision of Mobile Services in Rural and Remote Areas**

The tender for the scheme for subsidy support from USO fund for provision of mobile services in rural and remote areas has been finalised and agreements with successful bidders have been signed.

1. Brief of the Scheme

The scheme is divided into two parts – Part-A for setting up and managing infrastructure sites and Part-B for providing mobile services. A total of 7871 sites will be constructed in part A of the scheme and the sites thus constructed will be shared by three USPs in every cluster. The details of the scheme are given in the Agreements. The exact location of the towers/ sites and the villages to be covered are being finalized and will be intimated in due course.

2. Clusters as Units

There is change in the unit of agreement in this scheme. In earlier scheme the unit has been either SSA or SDCA but in this scheme the unit is 'Cluster' comprising of few adjacent revenue districts. The agreement is signed cluster wise. The CCAs

and the clusters to be covered under them are as follows:

CCA wise clusters

CCA	State	Clusters From	Clusters To	Total Sites
Andhra Pradesh	Andhra Pradesh	1	6	581
NE-II	Arunachal Pradesh	7	7	62
Assam	Assam	8	8	90
Bihar	Bihar	9	13	489
Chhattisgarh	Chhattisgarh	14	18	560
Gujarat	Gujarat	19	19	66
Haryana	Haryana	20	20	14
Himachal Pradesh	Himachal Pradesh	21	23	295
Jammu & Kashmir	Jammu & Kashmir	24	25	178
Jharkhand	Jharkhand	26	28	305
Karnataka	Karnataka	29	32	427
Kerala	Kerala	33	33	46
Madhya Pradesh	Madhya Pradesh	34	43	985
Maharashtra	Maharashtra	44	52	1017
NE-II	Manipur	53	53	95
NE-I	Meghalaya	54	54	102
NE-I	Mizoram	55	55	71
NE-II	Nagaland	56	56	56
Orissa	Orissa	57	60	432
Punjab	Punjab	61	61	13
Rajasthan	Rajasthan	62	65	411
West Bengal	Sikkim	66	66	8
Tamilnadu	Tamilnadu	67	70	371
NE-I	Tripura	71	71	147
Uttar Pradesh (E)	Uttar Pradesh (E)	74	77	505
Uttar Pradesh (W)	Uttar Pradesh (W)	78	79	161
Uttaranchal	Uttaranchal	72	73	217
West Bengal	West Bengal	80	81	167

3. Monitoring of Project during Construction Phase

The CCAs have been assigned an important role in ensuring that the project takes off and is completed within the designated time. Hence, the CCAs have to interact closely with the IPs and USPs and act as facilitators. The CCAs will be expected to liaise with the State Govt. offices and officers as well as Local Govt. Authorities if such an intervention is required. To ensure that this important project takes off as planned and is completed within the designated time frame, the CCAs will have to closely monitor the progress of the project. For this four MIS reports have been prescribed. The details are as under:

MIS-A: As per clause No. 3.2 of Section-VI (Operating conditions) of the Agreement for **Part-A**, the Infrastructure Provider has to submit a list of Infrastructure sites within two months period indicating the number of sites to be installed during the first and second phase of the Roll Out period of the Agreement. A copy of the list shall be provided to the concerned CCAs (instructions to the IPs are being issued separately). On the basis of the targets set for the two phases, the CCAs shall start monitoring the progress of the project with the help of this MIS report. MIS-A is to be submitted monthly both in hard and soft format by the **Infrastructure Provider (IP)**, to the concerned CCA, starting from the month ending 30th September. The monthly reports are to be furnished by the IPs latest by the 7th of the following month. Separate reports for Phase-I and Phase-II will be furnished. The CCAs will scrutinize the report and facilitate wherever required. If the CCAs feel that specific issues require USOF Administration's intervention then such issues are to be brought to the notice of the USOF Hq immediately.

(It may please be noted that BSNL has to construct towers in 63 of the 81 clusters and the success of the project depends to a great extent on the ability of BSNL to construct all the towers in time. Special attention has to be given to BSNL and all out efforts are required to ensure that BSNL doesn't face any problem which can be sorted out by the CCAs.)

MIS-B: As per Clause-12 of Section VIII (Special Instructions) of the Agreement for Part-A and Part-B, after successful completion of the work for Part-A of the Scheme, the IP shall immediately inform the concerned successful USPs in writing under intimation to Administrator USOF. A copy of the same will be furnished to the concerned CCAs (instructions to the IPs are being issued separately). On the basis of the targets set, the CCAs shall start monitoring the progress with the help of this MIS Report. MIS-B will be submitted monthly both in hard and soft format by the **USP** to the concerned CCA starting from the month ending 30th September. The report is to be submitted latest by 7th of the following month. The CCAs will scrutinize the report and facilitate wherever required. If the CCAs feel that specific issues require USOF Administration's intervention then such issues are to be brought to the notice of the USOF Hq immediately.

MIS-C: This report will be compiled quarterly by the CCAs from the information furnished by the IPs in MIS-A and furnished to the USOF Hq, starting from the QE 31st December. The report has to be furnished latest by 15th of the following month. This

report will of critical importance in evaluating the progress at the individual service area level. The report should also comment about issues brought out by the IP and action taken by the CCAs. Specific issues requiring intervention by the USOF Administration may also be furnished in this report. Separate reports for Phase-I and Phase-II will be furnished.

MIS-D: This report will be compiled quarterly by the CCAs from the information furnished by USPs in MIS-B and furnished to the USOF Hq, starting from the QE 31st December. The report has to be furnished latest by 15th of the following month.

All the above-mentioned four reports will be submitted till the completion of the project.

4. Procedure for Settlement of Subsidy

The settlement of subsidy shall be on quarterly basis as per the existing schemes. In this scheme there are three kinds of representative rates (RR) – RR more than zero, RR at zero and RR less than zero. For Part-A, the RRs are all more than zero, i.e. for all the clusters subsidy will have to be paid to the IPs. For Part-B, the RRs are Zero, more than Zero or less than Zero. Where the RR is less than Zero the USP will be making payments to the USOF.

IPs/ USPs shall submit quarterly statement of Claims/ Payment in **Annexure-2** along with Attachment 1 and Attachment 2 to the designated CCAs by the last day of the month following the close of a quarter. The statement shall contain, inter alia, the details of the existing sites as well as new sites, computation of subsidy or payment as the case may be, details of fault and computation of penalty (in case of negative and zero subsidy) or deduction of subsidy payable (in case of positive subsidy).

In case the statement of claims is received after due date of the submission, CCAs shall not settle the claim unless the delay is condoned by the Administrator, USOF. The IPs/ USPs shall submit the delayed statement of claim along with a request for condonation giving adequate reasons for the delay to the CCA office. The CCA office shall forward the request to the Administrator, USOF for taking further decision. In case of the delay in making of payment where RR is less than zero, the payment along with the statement of payment shall be accepted by CCAs with the interest on delayed payment computed appropriately as per the agreements.

The following statements/ documents shall be submitted by IPs and USPs for quarterly subsidy claim or payment-

- a. **Annexure-1** - Certification of Quarterly statement of claim/ payment
- b. **Annexure-2** - Summary statement of claim/payment
- c. **Attachment 1 to Annexure-2** - Computation of subsidy/ payment for the existing sites
- d. **Attachment 2 to Annexure-2** - Computation of subsidy/ payment for the new sites
- e. **Annexure-9** – Self Certificate to be furnished both by the IPs and the USPs along with the first claim. (This annexure will be of immense importance at the time of conducting the first physical verification)
- f. **Annexure-10** - Certification for continuation of Services Status to be furnished by the USPs giving details of interruptions in service and total downtime.
- g. Demand Draft where RR is less than zero. (The Agreement for Part-B where there is negative subsidy mentions that payment by the USPs will be made by Account Payee cheque. Necessary amendment is being made.)

After the close of the financial year, Auditor's report as per **Annexure-3** is to be filed with the concerned CCA offices along with audited statement of the quarterly claims/ payments. Final adjustment, if any, in respect of excess or shortfall in the subsidy disbursed shall be made in the following year based on the quarterly statements duly certified by the auditors of the IP/ USP.

5. Inspection and Verification

In order to ensure that the mobile services to the rural populace are made available without interruptions, regular inspection of the sites is of the utmost importance.

A) First Physical Inspection: 100% verification for the first time will have to be carried out. This work may be phased over a period of 1-2 years depending upon the number of sites falling under the jurisdiction of the CCA. The first inspection has to be preferably carried out by an officer of at least JAG/ STS level. Annexure-9 along with the supporting documents shall form the basis for verification and the CCAs are to ensure that the information furnished by the IPs and USPs are true. Annexure-9 is very exhaustive, and may be used as the base for checking.

For Part-A, the location of tower is the essence of the agreement. The Longitude and Latitude of the place is to be specified by the IP. The list of exact locations of the towers and the name of the respective villages will be provided soon. While inspecting the site, the CCA representative may confirm that the tower is indeed located in the specified village. Another important point that the CCAs have to check is that the new tower is not within 3 kilometers of an existing tower. In case any tower is found to be located within 3 kms of the claimed tower, the case may be brought to the notice of USOF Administration with details of USP/ IP along with date of installation if possible. Anything that is at variance with the terms and conditions of the Agreement should be brought to the notice of the USOF Hq immediately.

B) Subsequent Physical Inspection: At least 20%-50% of the sites should be verified over the year by an officer preferably not less than Dy. CCA rank. The exact percentage may be decided by the CCA depending upon the number of sites falling under its jurisdiction. These verifications need not be as rigorous as the first verification.

The inspection report shall be submitted quarterly to the USOF HQ in IR-5 starting from the quarter ending 31st December 2007. The report is to be submitted latest by 15th of the following month. The following items, in addition to those prescribed in IR-5, may be checked while inspecting a site:

- (i) That the tower is not being utilized for providing any other service.
- (ii) **Charging facility for mobile sets:** The Infrastructure providers are liable to provide charging facility to the mobile users. The inspecting officer shall verify that the charging facility is being provided without any hindrance. Feedback of the users shall also be taken.
- (iii) **Display of the sign board**
- (iv) **Number of USPs:** The visiting officer shall verify that only USPs selected by the USOF are using the tower for providing mobile services.
(Note: for checking the number of rural connections, Annexure-5A has to be submitted by the USPs. (Instructions are being issued to the USPs separately.))

6. Returns

The CCAs shall submit the following returns to the USOF HQ:

- i. **Intimation of Claims (IR-1)** – As soon as the IP/ USP submits statement of claims in Annexure-2, advance intimation shall be submitted in the Infrastructure Returns (IR)-1. The IR-1 shall be submitted not later than two days of the submission of the Statement of Claims by the IPs/ USPs.
- ii. **Requisition for Funds Allocation (IR-2)**- After receiving the Statement of Claims, payment of the claims shall be made within one month of the receipt of the statement at the CCA office. Requisition for Funds Allocation shall be made within one week of receipt of the claim.
- iii.
 - (a) **Intimation regarding Payment of the claims (IR-3)** – After making payment of the claims, intimation in IR-3 shall be submitted latest by the following day of the payment.
 - (b) **Intimation regarding the payment made by the USPs on account of negative Representative Rate (IR-4)**- The USPs shall be making payment to the CCAs where the RR is negative. The details of such receipts shall be intimated in IR-4 within one week of the receipt of the payment.
(Note: The IR-1, 2 and 3 have been designed in continuity so that they give a complete picture of cluster wise claim status. CCAs must maintain these in one continuous file in soft copy and hard copy for the Financial Year.)
- iv. **Quarterly report of inspections (IR-5)** - A consolidated quarterly statement giving details of the inspections shall be submitted within 30 days of the close of a quarter in IR-5.

7. Booking of subsidy/ payment – The amount of subsidy disbursement shall be booked under the existing head 3275-00-103. For booking of the amount received from USPs on account of RR less than Zero the heads of account will be communicated in due course.

8. Registers - The formats of the registers that are to be maintained by the CCA offices is enclosed.

9. An additional Accounts Reconciliation statement will be prescribed once heads of account for negative subsidy, penalties, subsidy etc are finalized.

(Dipankar Mahto)
Deputy Administrator (USOF)

Enclosures:

- 1. Formats of MIS - A, B, C, D.
- 2. Formats of IR – 1, 2, 3, 4, 5.
- 3. Formats of Registers.
- 4. Copy of letter written to Liaison Officers and list of Liaison Officers.

MIS-A– Construction Phase

To be Submitted Monthly by IP Starting from Month Ending 30th September
(Latest by 7th of the following month)

Name of SA/ CCA.....; Name of IP.....; For the Month Ending.....;

Part-A: PHASE-I/II

Details of Targetted Sites for Phase-I/ II

Cluster No.	Distt.	Tower ID	Actual Milestones Achieved (Progressive) <small>(Please place a tick mark in the relevant box to indicate completion of activity against specific towers)</small>	Remarks/ Specific issues requiring CCA/USOF Administration's

(1)	(2)	(3)	(4)						intervention (5)
			Land	Founda-tion	Erection of Tower	Power Connec-tion	Engine Alternator	Commissioned	
1	AAA	0001	√	√	√	√	√	√	
		0002	√	√	√	√	√	√	
	BBB	0003	√	√	√	√	√	√	
		0004	√	√					
		0005	√						
Cluster Total			5	4	3	3	3		
2	CCC	0006	√	√	√	√	√	√	
		0007	√	√	√	√	√	√	
	DDD	0008	√	√	√				
		0009	√	√					
Cluster Total			4	4	3	2	2		
Grand Total			9	9	8	6	5	5	

1. Details of Columns 1, 2 and 3 to be filled up by the IP in accordance with clause 3.2 of Section-VI (OPERATING CONDITIONS).
2. Separate sheets will have to be submitted for Phase-I and Phase-II.
3. Only tick marks are required in relevant boxes to indicate completion of activities. Totals are to be struck cluster-wise and Grand Total is to be struck as shown.
4. If there are no specific issues requiring CCA/ USOF Administration's intervention, NIL may be mentioned against column (5).

MIS-B- Construction Phase

To be Submitted by USP Monthly Starting from Month Ending 30th September
(Latest by 7th of the following month)

Name of SA/ CCA:.....; Name of USP:.....; For the Month Ending.....;

Part B:

Cluster No. (1)	District (2)	Tower-ID (3)	Date of Commissioning of Tower (4) (DD/MM/YYYY)	Target date for Roll Out of Services (5) (DD/MM/YYYY) (Column 4 plus 2 months)	Actual Milestones Achieved (Progressive) (Please place a tick mark in the relevant box to indicate completion of activity against specific towers) (6)				Remarks/ Specific issues requiring CCA/ USOF Admin. Intervention (7)
					BTS & Antennae	Backhaul	Commissioned	Date of Commissioning	
1	AAA	0001			√	√	√		
		0002			√	√	√		
	BBB	0003			√	√	√		
		0004			√				
		0005							
Cluster Total					4	3	3		
2	CCC	0006			√	√	√		
		0007			√				
	DDD	0008			√				
		0009							
Cluster Total					3	1	1		
GRAND TOTAL		9			7	4	4		

Note:

- 1) Date against column (6) will be communicated in accordance with clause 12 of Section VIII(SPECIAL INSTRUCTION) of the Agreement for Part-A
- 2) Only tick marks are required in relevant boxes to indicate completion of activities. Totals are to be struck cluster-wise and Grand Total is to be struck as shown
- 3) If there are no specific issues requiring CCA/USOF Administration's intervention, NIL may be mentioned against column (7)

MIS-C- Construction Phase

To Be Submitted Quarterly By CCA Starting From Month Ending 31st December
(Latest by 15th of the following month)

Name of CCA:.....; For the Quarter Ending:.....;

Part A: PHASE-III

Cluster No. (1)	Name of IP (2)	No. of Towers to be installed (3)	Actual No. of Towers Commissioned at the end of the Previous Quarter (4)	Actual No. of Towers Commissioned during the Current Quarter (5)	Progressive Total (5+6) (6)	FOR TOWERS YET TO BE COMPLETED					Remarks (8)
						Actual Milestones Achieved (Progressive) (Number of Towers Completed with respect to) (7)					
						Land (a)	Foundation (b)	Erection of Tower (c)	Power Connection (d)	Engine Alternator (e)	
1											
1											
2											
2											
Total											

1. Specific issues brought out by the IP & action taken by the CCA.
2. Specific issues requiring intervention by the USOF Administration.
3. Even if no sites are commissioned, a NIL report may be sent.
4. Separate sheets will have to be submitted for Phase-I & II.

MIS-D- Construction Phase

TO BE SUBMITTED QUARTERLY BY CCA STARTING FROM MONTH ENDING 31st December
(Latest by 15th of the following month)

Name of CCA:.....; For the Quarter Ending:.....;

Part B: PHASE-III

Cluster No. (1)	District (2)	No. of Towers to be installed (3)	Actual No. of Sites Commissioned at the end of the Previous Quarter (4)			Actual No. of Sites Commissioned during the Current Quarter (5)			Progressive Total (4+5) (6)		
			USP Name 1	USP Name 2	USP Name 3	USP Name 1	USP Name 2	USP Name 3	USP Name 1	USP Name 2	USP Name 3
			1	AAA							
1	BBB										
2	CCC										
2	DDD										
Total											

Table contd.

FOR SITES WHERE SERVICES ARE YET TO BE ROLLED OUT							Remarks (8)
Actual Milestones Achieved (Progressive) (Number of Sites with respect to) (7)							
BTS & Antennae (a)			Backhaul (b)				
USP Name 1	USP Name 2	USP Name 3	USP Name 1	USP Name 2	USP Name 3		

1. Specific issues brought out by the USP & action taken by the CCA.
2. Specific issues requiring intervention by the USOF Administration.
3. Even if no sites are commissioned, a NIL report may be sent.

IR-1 : Proforma for Intimation of Receipt of Claim

IR-2 : Proforma for Requisition of Funds

IR-3 : Proforma for Intimation of Payment

Name of CCA:

Name of CCA:

Name of CCA:

CCA Name	Claim for Part A/B	Cluster NO.	Total No. of Sites	Name of IP/USP	QE (DD/MM/YYYY)	No. Claimed	Amt. Claimed	Date of Submission (DD/MM/YYYY)	Amt. Withheld	Amt. Disallowed	Amt. Adjusted	Adjustment Pertaining to QE (DD/MM/YYYY)	Details of Adjustment (e.g. LD/Penalty/others)	Amt. Settled	Amt. Paid	Date of Payment (DD/MM/YYYY)	Cheque No.	Remarks	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	
				IP-I															
				USP-Ia															
				USP-Ib															
				USP-Ic															
				IP-II															
				USP-IIa															
				USP-IIb															
				USP-IIc															
				..															
				..															
				..															
				..															
TOTAL																			

Note:

- (1) At the time of claim intimation only IR-1 is to be filled. AT the time of fund requisition IR-1 & IR-2 is to be filled up. At the time of payment intimation IR-1, 2, 3 has to be filled up
- (2) For Amount, no thousand separator, or special characters like “/” be used
- (3) For negative adjustments the amount should be prefixed with “-“ sign and not with ()
- (4) For date, the pattern of DD/MM/YYYY should invariably be used. Patterns like DD-MM-YYY, dd-Mon-YY etc. should not be used.
- (5) The data base has to be maintained in continuity in both soft and hard format for each Qtr/FY

IR-4: Proforma for Intimation of Receipt of Payment

Part: B

Name of CCA	Cluster NO.	Representative Rate (RR)	District Name	Name of USP	QE(DD/MM/YYYY)	Number of sites for which Amt. Payable	Amount Receivable	Amount Adjusted	Adjusted on account of (e.g. Penalty/Others)	Total Amount Receivable	Amount Received	Received vide instrument No.	Date of Receipt (DD/MM/YYYY)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total													

- (1). For amount, no thousand separator, decimal, or special characters like “/” be used.
- (2). For negative adjustments the amount should be prefixed with “-“ sign and not with ()
- (3) For date, the pattern of DD/MM/YYYY should invariably be used. Patterns like DD-MM-YYYY, DD-Mon-YY should not be used.

IR-5

Name of the CCA:

to facilitation of the scheme. You are requested to extend all possible assistance to the CCAs and also to actively associate them in all the meetings or discussions that you might have with the IPs/ USPs in this regard.

Encl: As above

(Archana G. Gulati)
Joint Administrator (F)

Copy to:

- (1) Joint Administrator (Technical)
- (2) All CCAs

List of Pr. CCAs/ CCAs/ Jt. CCAs of all States

1. Ms. C. Lakshmi Narsamma, Controller of Communications Accounts, Andhra Pradesh Circle, 3 rd Floor Triveni Complex, Abids, Hyderabad 500 001 Phone: 040-24760556/ 24760557; Fax: 040-24761445/ 24762666; Mobile: 9440000452	2. Shri Sachidanand Prasad, Joint Controller of Communications Accounts, Assam Circle, Near Bora Service, Ulubari, Guwahati – 781007 Phone: 0361-2462139; Fax: 0361-2462138 Mobile: 9435000018
3. Shri B.P. Singh, Controller of Communications Accounts, Bihar Circle, 2 nd Floor CTO Annexe Building, Patna – 800 001 Phone: 0612-2223508; Fax: 0612-2223509 Mobile: 9431000056	4. Shri C. Pradhan, Joint Controller of Communications Accounts, Chattisgarh Circle, Room No.405, Door Sanchar Bhawan, Grand Estend, Raipur – 492 001 Phone: 0771-2534100; Fax: 0771-2535155 Mobile: 9425201010
5. Shri Gopal Joshi, Controller of Communications Accounts, Gujarat Circle, 7 th Floor, P&T Admn. Building, Khanpur, Ahmedabad – 380 001 Phone: 079-25500886; Fax: 079-25510697 Mobile: 9426002110	6. Shri Sukhbir, Joint Controller of Communications Accounts, Haryana Circle, 107, The Mall Road, Ambala Cantt-133 001 Phone: 0171-2603899; Fax: 0171-2603753/ 2603453 Mobile: 9416002494
7. Shri R.L. Jakhu, Joint Controller of Communications Accounts, Himachal Pradesh Circle, Block No.18 A, Kasumpti , Shimla – 171009 Phone:0177-2624400; Fax: 0177-2627685 Mobile: 9418021200	8. Shri Amit Sharma, Joint Controller of Communications Accounts, J&K Circle, Room No.316, North Block, Bahu Plaza, Railway Road Complex, Jammu - 180 012 Phone: 0191-2477299; Fax: 0191-2477296 Mobile: 9419124949
9. Shri Sanjiwan Sinha, Joint Controller of Communications Accounts, Jharkhand Circle, Telephone Bhawan, III Floor, Near Albert Ekka Chowk, Ranchi-834 001 Phone: 0651-2211385; Fax: 0651-2211386 Mobile: 9431100068	10. Ms. Geetha Paul, Controller of Communications Accounts, Karnataka Circle, 2 nd Floor, Amenity Block, CMX Compound, Palace Road, Bangalore-560 001 Phone:080-22206488; Fax: 080-22350604 Mobile: 9448010979
11. Shri G.K. Padhi, Controller of Communications Accounts, Kerala Circle, Door Sanchar Bhawan, PMG Junction, Vikas Bhawan, P.O. Trivandrum – 695 003 Phone: 0471-2304700/ 2523132; Fax: 0471-2304702 Mobile: 9447744244	12. Shri S.K. Gupta, Controller of Communications Accounts, Madhya Pradesh Circle, BSNL Bhawan, 2 nd Floor, Bhopal-462 012; Phone: 0755-2765466/ 2766555; Fax: 2767666/ 2772664; Mobile: 09425001615
13. Shri S.C. Johorey, Controller of Communications Accounts, Maharashtra Circle, 3 rd Floor, 'C' Wing, BSNL Administration Building, Juhu Danda Telecom Complex, Santa Cruz, (W), Mumbai-400 054 Phone:02226607030/26612550; Fax:26607032/ 26607035; Mobile:9869404050	14. Dr. R. Niranjana, Controller of Communications Accounts, N.E. Circle, 2 nd Floor, CTO Building, Shillong – 793 001 Phone: 0364-2501010; Fax: 0364-2227911 Mobile: 9436337343
15. Shri Prahlad Singh, Controller of Communications Accounts, Orissa Circle, 4 th Floor, CPMG Building, Bhubaneswar, – 751 001	16. Shri Manish Sinha Controller of Communications Accounts, Punjab Circle, Plot No.2, Sector 34-A, Chandigarh – 160 022

Phone: 0674-2391644; Fax: 0674-2392646 Mobile:	Phone: 0172-2666311; Fax: :0172-2647986 Mobile: 9463900049
17. Shri Gurmel Singh, Controller of Communications Accounts, Rajasthan Circle, Sanchar Lekha Bhavan, Jhalana Doongri Near RTO), Jaipur – 302 009 Phone: 0141-2701819 Fax: 0141-2376700/ 2700046; Mobile: 9414001950	18. Shri G. Alagarsamy, Controller of Communications Accounts, Tamil Nadu Circle, R.K. Nagar Telephone Exchange Building (7 th Floor) No.238, R.K. Mutt Road, Chennai-600028 Phone: 044-24622550/ 24622533 Fax: 044-24618155/ 24618505; Mobile: 9444000909
19. Ms. S.P. Zaheer, Controller of Communications Accounts, UP (E) Circle, Bhopal House, Lalbagh, Lucknow-226001 Phone: 0522-2629063; Fax: 0522-2628240/2628385; Mobile: 9415030500	20. Shri Dilip Padhye, Controller of Communications Accounts, UP (W) Circle 3 rd Floor, Brahmपुरi Telephone Exchange, Delhi Road, Meerut-250002 Phone: 0121-2402000; Fax: 0121-2400765; Mobile: 9412000005
21. Shri A.S. Pathak, Joint Controller of Communications Accounts, Uttranchal Circle, 56, Subhash Road, Dehradun-248001 Phone: 0135-2714933; Fax: 0135-2714588 Mobile: 9412000567	22. Shri G.K. Chin, Controller of Communications Accounts. West Bengal Circle; 8, Esplanade East, 2 nd & 3 rd Floor, Kolkata- 700 069 Phone: 033-22135317; Fax: 033-22135318 Mobile: 9433400457
23. Shri O.P. Veer, Sr. Controller of Communications Accounts, Delhi Region, DTO Building, Prasad Nagar, New Delhi-110 005 Phone: 25736566; Fax: 25745258; Mobile: 9868219190	

List of Designated Nodal Officer in State Government for Liaison with DoT and USOF

Sl. No	State	Name of the Nodal Officer	Designation and address	Telephone No.	FAX/ Mobile Number & E-mail address
1	Andaman & Nicobar	Shri G. D. Badgaiyan	Liaison Officer and Secretary(IT), Secretariat & Administration, Government of Andaman & Nicobar Islands, Port Blair	03192-233110	03192-232656 cs-andaman@nic.in
2	Andhra Pradesh	Shri Shailender Kumar Joshi	Liaison Officer and Secretary, Information Technology and Communications, Room No.431, 3rd Floor, 'D' Block, AP Secretariat, Hyderabad - 500022	040-23456401	011-23450103 (0)9848633202 secretary_it&c@ap.gov.in
3	Arunachal Pradesh	Shri Hage Khoda	Liaison Officer and Secretary, Information Technology, Arunachal Pradesh Civil Secretariat, Arunachal Pradesh, Itanagar – 791111	0360-2212390	0360-2212390 hagekhoda_2007@rediffmail.com
4	Assam	Shri V.S. Bhaskar	Liaison Officer and Commissioner & Secretary to the Govt. of Assam, Information Technolgy Department, Assam Secretariat, Block 'C', 2nd Floor, Guwahati - 781006	0361-2260269	0361-2260269 it_dept@assam.nic.in
5	Bihar	Shri Naveen Kumar	Liaison Officer and Secretary, Information, Finance and Information Technology, Old Secretariat, Patna-800015	0612-2215805	0612-2217694
6	Chhattisgarh	Shri Shivraj Singh	Liaison Officer and Additional Chief Secretary, Department of Information	0771-2221149, 4080210	0771-2221206 shivraj@nic.in

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			Technology and Biotechnology, Government of Chattisgarh, Mantralaya, Raipur		
7	Dadra & Nagar Haveli	Shri P.K. Gupta	Liaison Officer & Secretary, Information Technology, Government of Dadra and Nagar Haveli, Silvassa-396230	0260-2230473	0260-2230771
8	Gujarat	Shri Raj Kumar	Liaison Officer and Secretary, Science & Technology Department, Government of Gujarat, New Sachivalya, Gandhinagar-382010	079-23259999	079-23250325 secdst@gujarat.gov.in
9	Haryana	Shri P.K. Chaudhary, IAS	Liaison Officer and Financial Commissioner and Principal Secretary to Govt. of Haryana, Information Technology Department, New Secretariat, Chandigarh - 160017	0172-2740009	0172-2749985 cit@hry.nic.in
10	Himachal Pradesh	Shri Sanjeev Gupta	Liaison Officer and Secretary (IT), Government of Himachal Pradesh Secretariat, Shimla - 171002	0177-2621876	0177-2628625 itsecy.hp@nic.in
11	Jammu & Kashmir	Shri A.S. Sidhu	Liaison Officer and Principal Secretary, Information Technology Department, Government of J&K, Jammu Secretariat, Jammu	0194-2450523 (May to Oct) 0191-2572540 (Nov to Apr)	0194-2452269 (May to Oct) 0191-2547735 (Nov to Apr)
12	Jharkhand	Shri R.S. Sharma	Liaison Officer & Principal Secretary, Department of Information Technology, Room No.307, Project Building, Mantralaya, Government of Jharkhand, Ranchi-834004	0651-2400001	0651-2400956 rssharma3@gmail.com
13	Karnataka	Shri M.N. Vidya-shankar	Liaison Officer and Principal Secretary, Information Technology(IT), M.S. Building, 5th State, 6th Floor, Dr. Ambedkar Vidhi, Bangalore.	080-22280562	080-22288340 itsec@bangaloreit.in
14	Kerala	Shri K.R. Jyodilal	Liaison Officer and Special Secretary, Information Technology Department, Government of Kerala Secretariat, Thiruvananthapuram - 695001	0471-2320311	0471-2320311 SpIsecy@it.kerala.gov.in
15	Lakshadweep	Shri A.K. Wasnik	Liaison Officer and Secretary, Information Technology, Kavaratti, Lakshadweep-68255	04896-262278 (O), 262385 (R)	04896-262307 (0)9447782998 ak.wasnik@nic.in
16	Maharashtra	Dr.K. Shivaji	Liaison Officer and Special Secretary, Information Technology Department, Government of Maharashtra, Mantralaya, Mumbai-400032	022-22026534	022-22815087 sec_it@maharashtra.gov.in

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17	Manipur	Shri S. Budha Chandra	Liaison Officer & Commissioner, Science, Technology and Information Technology, Manipur Secretariat, South Block, Imphal-790001	0385-2450570	0385-2450570 0385-2450570 budha@hub.nic.in
18	Meghalaya	Shri Pankaj Jain	Liaison Officer & Commissioner & Secretary to the Govt. of Meghalaya, Meghalaya Civil Secretariat, Shillong - 793001	0364-2226925(O), 2223250 (R)	0364-2225978, 2223394
19	Mizoram	Shri Lalma-sawma	Liaison Officer and Secretary, Information Technology, Civil Secretariat, Government of Mizoram, Aizwal-796001	0389-2325131	0389-2325131 0389-2325131
20	Nagaland	Shri S.C. Deorani	Liaison Officer & Principal Secretary, Department of Information Technology & Technical Education, Government of Nagaland, Kohima – 790001	0370-2271144	0370-2271144 (0)9436006395
21	Orissa	Shri Surendra Nath Tripathi	Liaison Officer & Commissioner-cum-Secretary, Deptt. of Information Technology, Government of Orissa Secretariat, Bhubaneswar - 751001	0674-2536740, 2535309	0674-2536641 itsec@ori.nic.in, rdsec@ori.nic.in, snt1@nic.in
22	Punjab	Shri N.S. Kalsi	Liaison Officer & Director-cum-Secretary, Department of Information Technology, Punjab Secretariat, Chandigarh - 160017	0172-2704717, 2702423 (O), 2604892, 2688911 (R)	0172-2701595 (0)9872388333 nskalsi@gmail.com , md@punjabinfotech.org
23	Sikkim	Shri M.G. Kiran	Liaison Officer & Secretary, Department of Information Technology, Government of Sikkim Secretariat, Gangtok-737101	03592-202691, 205682 (O), 231889 (R)	03592-227426, 205682 mgkiran@hotmail.com
24	Tamil Nadu	Dr. C. Chandramouli	Liaison Officer & Secretary, Information Technology Department, Government of Tamil Nadu Secretariat, Chennai - 600009	044-25670783(O), 044-24464448 (R)	044-25670505 secvit@tn.nic.in
25	Tripura	Shri Lok Ranjan	Liaison Officer & Commissioner-cum-Secretary (IT), Government of Tripura Civil Secretariat, Agartala - 799001	0381-2325712	0381-2325712
26	Uttaranchal	Shri N. Ravi Shankar	Liaison Officer and Principal Secretary, Information Technology, Government of Uttarakhand Secretariat, Dehradun-248001	0135-2712100, 2712200	0135-2712500
27	Uttar Pradesh	Shri V.N.Garg	Liaison Officer & Chief Secretary, Information Technology & Electronics, Government of Uttar Pradesh Secretariat, Lucknow - 226001	0522-2239280	0522-2236961

DOT No. 30-39/2006 USF (Pt) dated 24.08.2007

To all CCAs

Subject: Scheme for Subsidy Support from USO Fund for Provision of Mobile Service in Rural and Remote Areas

Reference is invited to letter of even number dated 20.8.2007 on the subject mentioned above.

A copy of the letter dated 22.8.07 addressed to infrastructure providers/ USPs is enclosed for necessary action.

Encl: Copy of letter to IPs/ USPs

(Dipankar Mahto)
Deputy Administrator (F)

Enclosure

DOT No. 30-39/2006 USF (Pt) dated 22.08.2007

To: IPs/ USPs.

Subject: Scheme for Subsidy Support from USO Fund for Provision of Mobile Service in Rural and Remote Areas

The competent authority has directed the offices of the Controller of Communication Accounts which are field offices of the Department of Telecommunications to act as facilitators for the Mobile Infrastructure Scheme. They will render assistance to the Infrastructure Providers (IPs) and Universal Service Providers (USPs) to ensure timely implementation of the scheme as well as act as an interface between the IPs/ USPs and the concerned State Government through its Liaison Officers, during the construction phase of the Agreements.

The CCA offices are headed by senior officers of the Govt. of India who are of the level of Higher Administrative Grade/ Senior Administrative Grade/ Junior Administrative Grade. These offices are at present involved in settling the subsidy claims of the ongoing USO activities under agreements for Village Public Telephones, Rural Household DELs etc. as well as in the physical verification of facilities provided under the schemes. The success of the instant scheme is of immense importance for bringing the hitherto unconnected rural and remote areas of the country into the mainstream. The CCAs have been asked to closely liaise with the IPs/ USPs and the Liaison Officers of the concerned state governments to ensure that the problems faced by the IPs/ USPs are resolved at the local level. The IPs and USPs are thus to seek the help of the CCAs whenever required.

To enable CCA offices to report on progress of the scheme and to function as facilitators, IPs/ USPs are required to furnish certain routine information to the CCAs, which the CCAs will compile and send to the USOF Administration for further necessary action. The details of information to be furnished are as under:

1) **MIS-A:** As per clause No. 3.2 of Section-VI (Operating conditions) of the Agreement for Part-A, the Infrastructure Provider has to submit a list of Infrastructure sites within two months period indicating the number of sites to be installed during the first and second phase of the Roll Out period of the Agreement. A copy of the list shall be provided to the concerned CCAs. MIS-A is to be submitted monthly both in hard and soft format by the (IP), to the concerned CCA, starting from the month ending 30th September. The monthly reports are to be furnished by the IPs latest by the 7th of the following month. Separate reports for Phase-I and Phase-II will require to be furnished. The CCAs will scrutinize the reports and assist the IPs wherever required. If the CCAs feel that specific issues require USOF Administration's intervention then such issues are to be brought to the notice of the USOF Hq. immediately.

2) **MIS-B:** As per clause 12 of Section VIII (Special Instructions) of the Agreement for Part-A and Part-B, after successful completion of the work for Part-A of the Scheme, the IP shall immediately inform the concerned successful USPs in writing under intimation to Administrator USOF. A copy of the same will require to be furnished to the concerned CCAs by the USP. On the basis of the targets set, the CCAs shall start monitoring the progress with the help of this MIS Report. MIS-B will be submitted monthly both in hard and soft format by the USP to the concerned CCA starting from the month ending 30th September. The report is to be submitted latest by 7th of the following month. The CCAs will scrutinize the report and assist USPs wherever required. If the CCAs feel that specific issues require USOF Administration's intervention then such issues are to be brought to the notice of the USOF Hq immediately.

Apart from the construction phase where the CCAs will act mainly as facilitators, the CCA offices will also settle the subsidy claims of the IPs/ USPs as well as receive payment in case of negative subsidy. Further, the CCAs will also be conducting field visits to ensure that the services are being provided as per the terms and conditions of the Agreement. To ensure that the CCAs carry out the work of inspection effectively, the IPs/ USPs are required to extend all possible help to the CCA or his representative(s) and to do the following:

- a) Both the IPs/ USPs may keep a copy of the documents in support of Annexure-9 at the site so that the CCA may verify the information furnished at the time of submission of first claim.
- b) For checking the number of rural connections, Annexure-5A has to be submitted by the USPs. A copy of Annexure-5A may be furnished to the concerned CCAs also.

Encl: copy of list of CCAs

(Dipankar Mahto)
Deputy Administrator (F)

LIST OF IPs AND USPs**IPs**

M/s. GTL Infrastructure Limited, Electronic Sadan-1, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710	M/s. Reliance Communications Infrastructure Ltd., 15 th Floor, Vijaya Building, 17, Barakhamba Road, Connaught Place, New Delhi – 110 001
M/s. Hutchison Essar Cellular Limited, 1046, Avnashi Road, Coimbatore – 641 218	M/s. Bharat Sanchar Nigam Ltd., Statesman Building, Barakhamba Road, Connaught Place, New Delhi – 110 001.
M/s. Hutchison Essar South Limited, C-48, Okhla Industrial Area, Phase II, New Delhi – 110 020	6 th Floor, DLF Square Bldg., DLF City, Phase-II, National Highway- 8, Gurgaon – 122 002
M/s. National Information Technologies Ltd., Senior Plaza, 3 rd Floor, 339/2, Sector-14, Mehrauli Road, Gurgaon – 122 001	C-48, Okhla Industrial Area, Phase II, New Delhi – 110 020
M/s. Quipo Telecom Infrastructure Limited, D-2, Southern Park, Saket Place, Saket, New Delhi – 110 017	

USPs

M/s. Bharat Sanchar Nigam Ltd., Statesman Building, Barakhamba Road, Connaught Place, New Delhi – 110 001	
M/s. Bharti Airtel Ltd., Unitech World, Cyber Park, Tower A, 4 th Floor, Sector – 39, Gurgaon (Haryana)	
M/s. Bharti Hexacom Ltd., Unitech World, Cyber Park, Tower A, 4 th Floor, Sector – 39, Gurgaon (Haryana)	
M/s. Aircel Limited, Viscose Towers, IV Floor, 1078, Avinashi Road, Coimbatore – 641 018	
M/s. Dishnet Wireless Limited, 5 th Floor, Spencer Plaza, 769, Anna Salai, Chennai – 600 002.	
M/s. Aircel Digilink India Limited, C-48, Okhla Industrial Area, Phase II, New Delhi – 110 020	
M/s. Fascal Limited, 6 th Floor, Sakar II, Ellis Bridge, Ahmedabad – 380 006.	C-48, Okhla Industrial Area, Phase II, New Delhi – 110 020
M/s. Hutchison Essar Cellular Limited, 1046, Avnashi Road, Coimbatore – 641 218	C-48, Okhla Industrial Area, Phase II, New Delhi – 110 020
M/s. Hutchison Essar South Limited, C-48, Okhla Industrial Area, Phase II, New Delhi – 110 020	
M/s. BTA Cellcom Ltd., 139-140, Electronics Complex, Pardeshipura, Indore – 452 010	1005-06, Kailash Building; 26, K.G. Marg, New Delhi – 110 001
M/s. Idea Cellular Ltd., Plot No.18, Sector – 11, Gandhinagar – 382 011	1005-06, Kailash Building; 26, K.G. Marg, New Delhi – 110 001
M/s. Idea Mobile Communications Ltd., 1005-06, Kailash Building; 26, K.G. Marg, New Delhi – 110 001	
M/s. Reliance Communications Ltd., 15 th Floor, Vijaya Building, 17, Barakhamba Road, Connaught Place, New Delhi – 110 001	
M/s. Reliance Telecom Ltd., H-Block, 1 st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai – 400 710	15 th Floor, Vijaya Building, 17, Barakhamba Road, Connaught Place, New Delhi – 110 001

DOT No.30-10/2002-USOF dated 30.08.2007*To all Pr.CCAs/ CCAs/ Jt. CCAs***Subject: Purchase of Digital Cameras by CCAs****Reference: Letter No. 30-10/2002-USOF dated 25.07.07**

1. All CCAs are requested to confirm by 1.9.2007 that suitable digital camera has been purchased as instructed.
2. The USOF Administration proposes to bring out a report on its activities and in particular it would like to highlight the impact of USO schemes on rural population of the country. The CCAs are requested to forward the write ups and photographs which capture the spirit of USO and at the same time highlight the salient characteristics of their State/States.

Minimum of one photograph per service area is planned to be included in the report.

You are, therefore, requested to take necessary action in this regard and forward the write-ups and the photograph by 15.10.2007.

(Archana G. Gulati)
Jt. Administrator (Fin.), USF

DOT No. 30-15/2007/USF(Vol III)/701-723 dated 31.08.2007
To all Pr.CCAs/ CCAs/ Jt. CCAs

Subject: Verification of RDEL Claimed under Agreement No. 30-140/2004-USF dated 15.3.2005

In view of the fact that the CCAs have reported various anomalies relating to the implementation of the RDEL scheme under the above-mentioned Agreement, it has now been decided by the USOF Administration that enlarging the scope of verification of the RDEL claims would be in order. Accordingly, you are requested to follow the below mentioned instructions strictly and as per the time schedule laid down.

1. Instructions issued by this office vide letter No. 30-15/2007 USOF (Vol III) dated 25.4.07 may kindly be referred to. The verification of CDR/ OMR/ CMR is now to be carried out against 100% of RDELs claimed to be installed in the quarter ending 31.3.2007. In this regard instructions issued vide letter of even number dated 24.7.07 may also kindly be adhered to. This would help eliminate ineligible RDELs.

2. **100% dialing** is to be carried to further authenticate the numbers found eligible on basis of CDR. This is for RDELs claimed to have been installed in the quarter ending 31.3.2007. It is suggested that the claim data and the bill summary may be consolidated in a single MS Excel sheet and additional column/ columns be added for recording findings of the dialing exercise. This work may be completed within a week to ten days i.e. by 14.9.2007. It is presumed that claims incorporate village census codes and that the same have been validated as being correct by the CCA.

3. Dialing is also to be carried out randomly for 10% of the earlier provided RDELs against which EQA has been claimed in Claim for Q.E. 31.3.07.

4. Dialing is basically to be carried out to establish that the RDEL provision conforms to the terms & conditions of the USO Agreement and is consistent with data submitted in the USPs claim. For example, the claimed DEL must be in rural areas only. The name and address of subscriber including village name may be confirmed during telephone conversation. Rough idea of date of installation can also be obtained. Dialing results must be cross tallied with other inputs available in claim, bill summary, CDR etc.

5. Based on the findings of dialing exercise as described above, numbers which appear to be in urban areas or against which findings were 'No response/ Does Not Exist/ Switched off' etc will need to be further investigated.

6. In case of "no response" or "out of coverage area" or "switched of" a second call may be made the next day at a different time to try and obtain response from subscriber.

7. In case the response is still not obtained or DEL was found in urban areas or message received was "Does not Exist" the next step would be calling for **Customer Application Forms (CAF)** from the USPs. This must be called for immediately after step 6 is completed. The USP should supply the same by 28.9.2007 and scrutiny of all CAFs must be completed by 5.10.2007. Preferably photocopies of identity proof supplied by customer should be appended to CAF; USPs may be asked to do so.

8. Another option to verify the eligibility of the claimed DEL is the **Customer Relations Management data** of the USP which can be accessed from their local office. This would contain screens which show all details of DELs including address, image, and closures if any.

9. Physical verification is to be carried out of at least 5% of the remaining doubtful DELs out of the dialed numbers. Selection of villages to be inspected would be based upon the findings of the verification exercise as described above. (Based on CDR, dialing and CAF etc). While covering DELs shortlisted as "to be physically inspected" as an outcome of above verification, effort should be made to visit the localities which have the maximum number of RDELs installed so that a large percentage of the claim may be verified within the same visit USP may be given reasonable prior intimation and taken along for field inspections.

10. The findings of the sample check may be extrapolated to the total number of doubtful DELs and the corresponding claim may be withheld and the claim settled. Details of the withheld claim are to be intimated to USP concerned giving them reasonable time for clarification/ proof to establish the genuineness of the claim against these DELs.

11. In view of the additional checks prescribed as above, the outer limit of time for claim settlement is hereby extended to 15.11.07.

(Archana G. Gulati)
Jt. Administrator (Finance), USF

DOT No. 30-12/2006/KTK/USOF/988-1010 dated 07.09.2007

To all Pr.CCAs/ CCAs/ Jt. CCAs

Kindly refer to CCA Karnataka's inspection report submitted to USF Administration vide their letter No. KTK/CCA/USO/XXXX-20 Genl dated 20.8.07, already emailed to all CCAs by this office on 1.9.07. In this regard kind attention is drawn to the following points:

1. The report displays a commendable amount of effort on the part of the CCA office and is worthy of appreciation. It is a thought provoking report which highlights the important issue of how lakhs of RDELs spread across 1685 SDCAs may be effectively verified.
2. One factor that emerges clearly from a study of the report is that authentication of claims requires a multi-pronged approach consisting of a mix of dialing, documentary proof (CAF, CDR etc) and physical verification. This is evident from the fact that dialing alone throws up different results with a change in timing of calls by days of the week and hours at which call is made and as the CCA has suggested, by proximity to the date of inspection.
3. Another aspect that is highlighted is that in rural areas when outgoing calls are found to be very low against DELs, it needs to be established during verification, whether this is by subscriber choice or whether it is a compulsion due to faults and in the extreme case owing to the non existence of RDELs on ground.
4. The finding during field inspection of village names in CAFs being incorrect with regard to actual location is indicative of the casual approach followed by some USPs towards maintenance of proper subscriber records. This is a licensing condition and has security implications. CCAs must be vigilant about this matter, take it up with local offices of the USPs and report the outcome of this exercise to USF administration and DOT HQ.
5. An analysis of CCA Karnataka's report also suggests that retaining an element of surprise may be essential while selecting villages for physical inspection. At any rate to the extent possible, the USP should be given only a broad indication of area to be inspected and selection of actual villages to visit should be left to the last minute.
6. It is requested that all CCAs may kindly observe due vigilance while settling claims and chalking out their verification strategy. This office has already prescribed certain guidelines regarding the methodology to be followed for verification of RDEL claims pertaining to Q.E 31.3.07 vide letter No. 30-15/2007 USOF (Vol III) dated 24.7.07 and letter of even number dated 29.8.07.
7. CCAs must be careful about tariff being charged by USPs from RDEL customer's vis-a-vis TRAI prescribed tariff as given in the agreement. Kindly ensure that instructions issued by this office vide Letter No.1-4/2005/USOF RDEL(RIL) dated 20.2.07 are followed strictly.

Feedback, suggestions etc from CCA offices on the above mentioned issues are welcome.

(Archana G. Gulati)
Jt. Administrator (Finance), USF

DOT No. 30-3/2006/ USF (Pt) dated 11.09.2007

To all CCAs/ Jt. CCAs

Subject: Augmentation of Number of Officers and Staff for USO Related Work at the CCA Offices

It is felt that with the present work load related to the existing activities and the new activities in pipeline, the CCAs will require additional officers and staff exclusively for doing the USO work. There will not only be quantitative increase but also qualitative increase in USO related activities. The CCAs have already been assigned the work of monitoring the progress of the scheme for provision of mobile telephone in rural and remote areas. However, successful monitoring and ensuring that the scheme is completed in time, the CCAs will have to interact with the state government authorities, the infrastructure providers/ universal service providers and the USOF HQ. Similar such work will be entrusted to the CCAs when new agreement for new activities like 'Rural Broadband', 'General Infrastructure', 'Mobile Infrastructure-Phase II' etc.

are assigned.

To cope with the present and future work load of USO work every CCA may exclusively have at least:

- One Joint Controller
- One Deputy Controller
- Two Communication Accounts Officer
- Two Junior Communication Officers
- Three Group 'C' staff

The above figures are indicative only and hence CCAs are requested to quantify the exact staff requirement based on the present work load and the future work load keeping in mind the new activities in pipeline. The criteria for quantifying could be general criterion like settlement of claims, requisition of funds, disbursement of subsidy, verification of claims, frequency of inspection, maintenance of records and submission of MIS to USOF HQ etc. or CCA specific criteria like the number of villages, total number of rural population, the number of towers/sites that will be installed etc.

Based on the comments and feedback received from the CCAs, a consolidated proposal for augmentation of number of officers and staff in all the CCAs will be sent to the SEA Section of Department of Telecommunications. Hence it is requested that a comprehensive proposal for staff augmentation be sent to the undersigned within 15 days of issue of this letter.

(Dipankar Mahto)
Deputy Administrator (USOF)

DOT No.1-7/2007/ USOF-Auditor's Reports/1037 to 1061 dated 11.09.2007

To all Sr.CCAs/ CCAs/ Jt. CCAs

Subject: **Submission of Auditors' Reports for the Year 2006-07 reg.**

Kindly refer to the provision contained in clause 18 (relevant sub clause of clause 18) of the Agreements for subsidy disbursement toward various activities under USOF. These provisions interalia lay down:

(i) Quarterly subsidy claim statements of each year are required to be audited by the Auditors of the Universal Service Providers (USPs) appointed under Section 224 of the Companies Act 1956. The report of the Auditor in the prescribed form should be filed with the Administrator with in 7 days of the date of signing of the Audit report, but not later than 30th September of the following year.

(ii) Final adjustment, if any in respect of excess or shortage in the subsidy disbursement shall be made in the following year based on the quarterly statements duly certified by the Auditors of USP.

(iii) In case the subsidy claimed and received is found to be in excess of 10% of the subsidy due to him, the entire amount of excess shall be recovered along with interest at the prime lending rate (PLR) of SBI.

2. The Auditors reports for the financial year 2006-07 are due latest by 30.9.2007. Since the functions relating to the settlement of subsidy claims of the USPs rest with the CCA/Jt. CCA offices, action on the following lines may kindly be taken in respect of the reports for the year 2006-07 onwards. A certificate may kindly be furnished to this office by 31.11.2007 positively and by 31st November of the following year in respect of the Auditors reports of subsequent years -

(i) Certified that Auditor's report for the financial year _____ pertaining to M/s _____ has been received by this office on _____

(ii) As per the auditor's report findings are as under-

Name of USP-

Activity (1)	Paid amount (2)				Total (3)	Audited amount (4)				Total (5)	Difference (6) = (3-5)	Penal interest (7)	Total Amt. recovered (6+7)
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4				

(iii)

a. The USP has deposited Rs _____ and Rs _____ on account of excess payment and penal interest respectively.

OR

b. The excess payment amounting to Rs _____ and penal interest amounting to Rs _____ has been adjusted from the claim pertaining to quarter ending _____ on account of _____.

3. Similar action may also kindly be taken in respect of Auditors' reports for the years 2004-05 and 2005-06 and compliance sent to this office in a week's time. In this connection this office letter no 1-7/2005-USOF/Auditor's report/ 1 to 26 dated 12.1.2007 and No 30-3/2007/USOF (DAP) Para 7.3.10/826-850 dated 28.8.2007 (Copies enclosed) may also kindly be referred to.

This issues with the approval of competent authority.

(Dipankar Mahto)
Deputy Administrator-F (USOF)

Copy to all USPs

DOT No.1-1/2007/USOF dated 12.09.2007

To all CCAs

Subject: Submission of Closed, DNP, NIMR, VPTs List from Billing Record Along with VPT Claim Submitted by BSNL

As noticed by CCAs during the field inspection and remarked upon by P&T Audit, claim submitted by BSNL circles at times do not reflect the correct position of VPTs regarding closed DNP, NIMR cases during entire quarter. This is in contravention to the terms and conditions of the concerned agreement. As a measure to strengthen claim settlement and verification process, it has been decided that BSNL should submit statements of closed NIMR/ DNP VPTs generated from the billing record along with concerned SSA claim every quarter.

You are requested to kindly enquire into the practical aspects of the same keeping in view of the billing system being used by BSNL in your specific service area and suggest the modalities by which it may be implemented. Kindly send your valuable comments by 15th October. Any other feedback to improve the claim verification process at CCAs office would be welcome.

(Archana G. Gulati)
Jt. Administrator (Finance), USF

DOT No. 1-7/2007/USOF-Auditor's Reports/1037 to 1061 dated 14.09.2007

To all Sr. CCAs/ CCAs/ Jt. CCAs

Subject: Submission of Auditor's Reports for the year 2006-07; Reg.

In continuation of this office letter of even number dated 11th September on the subject mentioned above the revised format prescribed for Auditor's Report is annexed for necessary action at your end.

(D. Mahto)
Dy. Administrator-F (USOF)

Enclosure:

CERTIFICATE

- (i) Certified that Auditor's report for the financial year _____ pertaining to M/s. _____ has been received by this office on _____.
- (ii) As per Auditor's report findings are as under:

Activity (1)	Agreement No. & date (2)	Claimed Amount (3)				Total of 3 (4)	Amount certified by Auditors (5)				Total of 5 (6)	Difference 4-6 (7)
		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		
Amount Paid*		Total				Penal Interest, if any	Total amount				Remarks	

(8)				(9)	(10)	recovered 7+10 = (11)
Q1	Q2	Q3	Q4			
<p>* Amount paid only against quarterly claims as mentioned in column 3 (not taking into account adjustments for any other quarter.</p> <p>(iii) (a). The USP has deposited Rs. ____ and Rs. ____ on account of excess payment and penal interest respectively.</p> <p style="text-align: center;">Or</p> <p>(b) The excess payment amount to Rs. ____ and penal interest amount to Rs. ____ has been adjusted from the claim pertaining to quarter ending ____ on account of ____.</p> <p style="text-align: right;">Signature Head of Office</p>						

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Whatever is begun in anger ends in shame.

- Ben Franklin

Appendix I

The Indian Telegraph (Amendment) Act, 2003

(No.8 of 2004) [9 th January, 2004]		
An Act further to amend the Indian Telegraph Act, 1885 Be it enacted by Parliament in the Fifty-fourth Year of the Republic of India as follows:-		
	1. (1) This Act may be called the Indian Telegraph (Amendment) Act, 2003. (2) It shall be deemed to have come into force on the 1 st day of April, 2002.	Short title and commencement
13 of 1885	2. In section 3 of the Indian Telegraph Act, 1885 (hereinafter referred to as the principal Act), clause (1) shall be renumbered as clause (1AA) and before clause (1AA) as so renumbered, the following clauses shall be inserted, namely:- '(1) "Fund" means the Universal Service Obligation Fund established under sub-section (1) of section 9A; (1A) "Universal Service Obligation" means the obligation to provide access to basic telegraph service to people in the rural and remote areas at affordable and reasonable prices;'	Amendment of Section 3
Amendment of Section 4	3. In section 4 of the principal Act, in sub-section (1), the following Explanation shall be inserted at the end, namely:- "Explanation – The payments made for the grant of a license under this sub-section shall include such sum attributable to the Universal Service Obligation as may be determined by the Central Government after considering the recommendation made in this behalf by the Telecom Regulatory Authority of India established under sub-section (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997."	24 of 1997
Amendment of section 7	4. In section 7 of the principal Act, in sub-section (2), after clause (ee) the following clauses shall be inserted, namely:- "(eea) the manner in which the Fund may be administered; (eeb) the criteria based on which sums may be released."	
Insertion of new Part IIA	5. Part II of the Principal Act, the following Part shall be inserted, namely:- PART IIA UNIVERSAL SERVICE OBLIGATION FUND	
Establishment of Universal Service Obligation Fund	9A.(1) On and from the commencement of the Indian Telegraph (Amendment) Act, 2003, there shall be deemed to have been established, for the purposes of this Act, a Fund to be called the Universal Service Obligation Fund. (2) The Fund shall be under the control of the Central Government and there shall be credited thereto - (a) any sums of money paid under section 9B; (b) any grants and loans made by the Central Government under s. 9C. (3) The balance to the credit of the Fund shall not lapse at the end of the financial year.	
Crediting of sums to Consolidated Fund of India	9B. Sums of money received towards the Universal Service Obligation under section 4 shall first be credited to the Consolidated Fund of India, and the Central Government may, if Parliament by appropriation made by law in this behalf so provides, credit such proceeds to the Fund from time to time for being utilized exclusively for meeting the Universal Service Obligation.	
Grants and loans by Central Government	9C. Central Government, after due appropriation made by Parliament by law in this behalf, credit by way of grants and loans such sums of money as that Government may consider necessary in the Fund.	
Administration and utilization of	9D. (1) The Central Government shall have the power to administer the Fund in such manner as may be prescribed by rules made under this Act.	

Fund	(2) The Fund shall be utilized exclusively for meeting the Universal Service Obligation. (3) The Central Government shall be responsible for the co-ordination and ensuring timely utilization and release of sums in accordance with the criteria as may be prescribed by rules made under this Act."
Repeal and saving	<p>6.(1) Indian Telegraph (Amendment) Ordinance, 2003, is hereby repealed. Ord. 7 of 2003</p> <p>(2) Notwithstanding the repeal of the Indian Telegraph (Amendment) Ordinance, 2003, anything done or action taken under the principal Act as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act. Ord. 7 of 2003</p> <p style="text-align: right;">(T.K. VISWANATHAN) Secy. to the Govt. of India</p>

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Tact is the knack of making a point without making
an enemy.

-- *Howard W. Newton*

Appendix II

The Indian Telegraph (Amendment) Rules, 2004

THE GAZETTE OF INDIA EXTRAORDINARY
PART II-Section 3- Sub-section (i)

MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
(DEPARTMENT OF TELECOMMUNICATIONS)

NOTIFICATION
NEW DELHI, THE 26TH MARCH, 2004

G.S.R. 220(E)- In exercise of the powers conferred by section 7 of the Indian Telegraph Act, 1885 (13 of 1885), the Central Government hereby makes the following rules further to amend the Indian Telegraph Rules, 1951, namely:-

1. (1) These rules may be called the Indian Telegraph (Amendment) Rules, 2004.

They shall come into force on the date of their publication in the Official Gazette.

2. In the Indian Telegraph Rules, 1951, after rule 522, the following shall be inserted, namely;

'PART-X

UNIVERSAL SERVICE OBLIGATION FUND

523. Definitions. – In this part -

- (a) "Administrator" means the Administrator of the Fund appointed by the Central Government for the administration of the Fund;
- (b) "Agreement" means an agreement made between the Administrator and one and more of the Universal Service Provider for the purpose of implementation of Universal Service Obligation;
- (c) "Capital Cost" means the capital expenditure incurred on providing access as may be determined by the Administrator;
- (d) "Capital Recovery" means the aggregate of depreciation, interest on debt and return on equity on the capital cost annualized over a period of seven years;
- (e) "Fund" means the Universal Service Obligation Fund established under sub section (1) of section 9A of the Indian Telegraph Act, 1885 (13 of 1885);
- (f) "High Speed Public Telecom and Information Centre" means a centre which offers additional facilities including tele-education and tele-medicine at a minimum data speed of 128 Kbps, for use by public;
- (g) "Multi Access Radio Relay Technology" means a technology used for providing telephone services;
- (h) "Public Telecom and Information Centre" means a centre which offers data applications including FAX, e-mail, internet besides voice telephony, for use by the Public;
- (i) "Net Cost" means Operating Expenses plus Capital Recovery minus Revenue;
Explanation: Where support is to be extended towards Operation and Maintenance only, Net Cost shall mean Operating Expenses minus Revenue;
- (j) "Operating Expenses" means the annual Operating Cost incurred on operation and maintenance of the specified facilities as may be determined by the Administrator;
- (k) "Revenue" means the annual charges including usage charge and applicable rental from the specified Service, without any deduction of any kind whatsoever except taxes relating to the specified Service, if any, paid to the Government;
- (l) "Secondary Switching Area" means the area in which the country is divided by the Telegraph Authority, and is co-terminus with a Long Distance Charging Area;
- (m) "Universal Service Obligation" means the obligation to provide access to basic telegraph services to people in the rural and remote areas at affordable and reasonable prices;
- (n) "Universal Service Provider" means the person who has entered into an Agreement with the Administrator for the purpose of implementation of Universal Service Obligation;
- (o) "Village Public Telephone" means the first public telephone installed in a village.

524. Administration of the Universal Service Obligation Fund – The Administrator shall have powers to -

- formulate bidding procedures including its terms and conditions for the purposes of implementation of Universal Service Obligation;
- evaluate the bids called for the purposes of implementation of Universal Service Obligation;

- enter into Agreement with the Universal Service Provider for the purposes of implementation of Universal Service Obligation;
- settle the claim of Universal Service Provider after due verification, and make disbursements accordingly from the Fund;
- specify relevant formats, procedures and records to be maintained and furnished by the Universal Service Provider;
- monitor the performance of the Universal Service Provider as per the procedure specified by him from time to time.

525. Scope of support from Universal Service Obligation Fund. - (1) Financial Support from the Fund shall be provided to meet the Net Cost of providing the specified Universal Service Obligation as per the procedure specified by the Administrator from time to time, and the period for which such support shall be provided and the services covered shall be governed by an Agreement entered into with the Universal Service Provider.

The following services shall be supported by the Fund, namely:-

(i) Stream-I: Provision of Public Telecom and Information Services -

(a) Operation and Maintenance of Village Public Telephone in the revenue villages identified as per Census 1991 and Installation of Village Public Telephone in the additional revenue villages as per Census 2001- For installation of Village Public Telephone in the revenue villages, identified as per 1991 Census, only the Operating Expenses and Revenue shall be taken into account for determining the Net Cost. For the additional revenue villages identified as per 2001 Census, Capital Recovery in addition shall also be taken into account for determining the Net Cost:

Provided that in the case of the Village Public Telephone which are still to be installed in the villages identified as per Census 1991, Capital Recovery shall also be taken into account while determining the Net Cost;

Provision of additional rural community phones in areas after achieving the target of one Village Public Telephone in every revenue village.- Where in a village the population is more than 2000 and no public call office is existing, a second public phone shall be installed and for the purposes of determining the Net Cost, Capital Recovery, Operating Expenses and Revenue shall be taken into account;

Replacement of Multi Access Radio Relay Technology Village Public Telephone installed before 1st day of April 2002- Capital Recovery, Operating Expenses and Revenue shall be taken into account for determining the Net Cost.

Upgradation of a Public Telephone to Public Tele Information Centres- The data transmission facilities shall be provided within 5 Kms. of a village with a population exceeding 2000, preferably in those villages where post offices are located and the Capital Recovery only towards provision of customer premises equipment; namely, Computer, Uninterrupted Power Supply and Modem, Operating Expenses and Revenue shall be taken into account to determine the Net Cost.

Installation of High Speed Public Telecom Information Centres in a public place at Block Headquarters and in villages with a population exceeding 2000 shall be made in a phased manner. Capital Recovery towards customer premises equipment as in the case of Public Telecom Information Centres, and required access as well as Operating Expenses and Revenue shall be taken into account to determine the Net Cost.

Note - Unless otherwise specified by the Central Government, the Secondary Switching Area shall be taken as a unit for the purpose of arriving at the Net Cost for activities specified in items (a) to (e) of stream I.

Stream-II – Provision of household telephones in rural and remote areas as may be determined by the Central Government from time to time:

(a) For household Direct Exchange Lines installed prior to 1st day of April, 2002, the difference in rental actually charged from rural subscribers and rent prescribed by Telecom Regulatory Authority of India for such subscribers shall be reimbursed until such time the Access Deficit Charges prescribed by Telecom Regulatory Authority of India from time to time take into account such difference.

(b) For household Direct Exchange Lines installed after 1st day of April, 2002, Capital Recovery, Operational Expenses and Revenue shall be taken into account to determine the Net Cost.

Note - Unless otherwise specified by the Central Government, the Short Distance Charging Area shall be taken as a unit for the purpose of arriving at the Net Cost for activities specified in item (b) of Stream II.

Criteria for selection of Universal Service Provider – The selection of the Universal Service Provider shall be made by a bidding process from amongst the eligible operators, except for household Direct Exchange Lines referred to in item (a) of clause (ii) of sub-rule (2) of rule 525 and the Agreement signed as a result of the bidding process shall not be treated as grant of fresh license under the Indian Telegraph Act, 1885 (13 of 1885).

Explanation- For the purposes of this rule, “eligible operators” means the Basic Service Operators, Cellular Mobile Service Providers and Unified Access Services Licensees or any other entities as may be specified in this behalf by the Central

Government from time to time.

527. Release of Funds to Universal Service Providers – Fund shall be released to the Universal Service Provider in a manner and at such intervals as may be specified in the Agreement.’

FOOT NOTE: The principal rules have been published in the Post & Telegraph Manual Volume I. Legislative Enactments, Part II, Edition. These have subsequently been amended as under:

- | | |
|---------------------------------|--------------------------------|
| 1. GSR 190 dt. 18-2-1984 | 28. GSR 606 dt. 14-7-1988 |
| 2. GSR 386(E) dt. 22-5-1984 | 29. GSR 812 (E) dt. 26-7-1988 |
| 3. GSR 387 (E) dt. 22-5-1984 | 30. GSR 888 (E) dt. 1-9-1988 |
| 4. GSR 679 dt. 30-6-1984 | 31. GSR 907 (E) dt. 7-9-1988 |
| 5. GSR 428 dt. 27-4-1985 | 32. GSR 916 (E) dt. 9-9-1988 |
| 6. GSR 729 dt. 3-8-1985 | 33. GSR 1054 (E) dt. 2-11-1988 |
| 7. GSR 982 dt. 19-10-1985 | 34. GSR 179 dt. 18-3-1989 |
| 8. GSR 553 (E) dt. 27-3-1986 | 35. GSR 358 (E) dt. 15-3-1989 |
| 9. GSR 314 dt 26-4-1986 | 36. GSR 622 (E) dt. 15-6-1989 |
| 10. GSR 566 dt. 26-7-1986 | 37. GSR 865 (E) dt. 29-9-1989 |
| 11. GSR 953 (E) dt. 23-7-1986 | 38. GSR 413 (E) dt. 29-3-1990 |
| 12. GSR1121 (E) dt. 1-10-1986 | 39. GSR 574 (E) dt. 15-6-1990 |
| 13. GSR 1167 (E) dt. 28-10-1986 | 40. GSR 933 (E) dt. 3-12-1990 |
| 14. GSR 1237 (E) 28-11-1986 | 41. GSR 985 (E) dt. 20-12-1990 |
| 15. GSR 49 dt. 17-1-1987 | 42. GSR 74 dt. 18-1-1991 |
| 16. GSR 112(E) dt. 25-2-1987 | 43. GSR 237 (E) dt. 25-4-1991 |
| 17. GSR 377 (E) dt. 9-4-1987 | 44. GSR 251 (E) dt. 2-5-1991 |
| 18. GSR 674 (E) dt. 27-7-1987 | 45. GSR 543 (E) dt. 21-5-1992 |
| 19. GSR 719 (E) dt.18-8-1987 | 46. GSR 560 (E) dt. 26-5-1992 |
| 20. GSR 837 (E) dt. 5-10-1987 | 47. GSR 587 (E) dt. 10-6-1992 |
| 21. GSR 989 (E) dt. 17-12-1987 | 48. GSR 730 (E) dt. 19-8-1992 |
| 22. GSR 337 (E) dt. 11-3-1988 | 49. GSR 830 (E) dt. 28-10-1992 |
| 23. GSR 361 (E) dt. 21-3-1988 | 50. GSR 62 (E) dt. 11-2-1993 |
| 24. GSR 626 (E) dt. 17-5-1988 | 51. GSR 80 dt. 6-2-1993 |
| 25. GSR 660 (E) dt. 31-5-1988 | 52. GSR 384 (E) dt. 27-4-1993 |
| 26. GSR 693 (E) dt. 10-6-1988 | 53. GSR 387 (E) dt. 28-4-1993 |
| 27. GSR 734 (E) dt. 24-6-1988 | |

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*Right actions for the future are the best apologies for
wrong ones in the past.*

-- Tyrone Edwards

Appendix III

Requisition of Funds from USO Fund for Subsidy Disbursement

For Quarter Ending: _____

Name of the Unit: _____

Dated: _____

Name of the Service Area	Name of the USP/ Activity	Date of Receipt of Claim from USP	No. of connections for which claim is preferred	Amount of subsidy Claimed	No. of connections for which claim is settled	Amount for which claim is settled	Amount withheld, if any	Adjustments, if any (+) or(-)	Net Amount sought for	Remarks
M/s BSNL/ Private Universal Service Provider(Separate Sheet may be used for each USP)										
	1. Agreement for Operation & Maintenance of VPTs									
	2. Agreement for Replacement of VPTs replaced during the Qtr. (Agreement dt. 9/2003)									
	3. Agreement for MARR Replaced between 1.4.02 to 30.6.03(Agreement dt. 3/2004).									
	4. Rural Community Phones (RCPs) (Agreement dated 9/2004)									
	5. VPTs in uncovered villages (Agreement dated 11/2004)									
	6. RDELS installed between 1.4.2002 and 31.3.2005									
	7. RDELS installed between 1.4.2005 and 31.3.2007									
<i>Note:</i>								Signature of CCA/ Jt. CCA		
The attachment to this statement should be sent on E-mail to dotuso@rediffmail.com										
The payment against which funds are being requested, should be released to the USP(s) immediately and payment particulars (Cheque No., amount & date etc.)										

should be intimated to Asstt. Administrator (F), USOF within a week of authorization in Proforma B (End. I of Ch. VII)

Attachment to Requisition of Fund (Public Access)

Detailed Report of Claims Settled for Q.E. _____

(To be also sent through e-mail to dotuso@rediffmail.com)

Name of CCA/ Jt. CCA Unit:

Name of the Service Area:

Name of the USP:

Activity: VPT/ MARR Replacement/ RCP/ Uncovered Villages (Separate Sheet to be used for each activity)

Sl. No	Name of SSA	Technology (to be specified in case of OFEX VPT & Uncovered Villages)	O.B of the Quarter as per Claim	Replaced during the Quarter	Installed during the quarter	Status in terms of No. of connections						Subsidy details				Adjustments, if any for previous quarters	Net subsidy payable	
						Claimed	DNP for full period	Faulty for full period	NIMR	Withheld (SSA wise only)	Disallowed (SSA wise only)	Settled	Claimed amount	Amount withheld (SSA wise only)	Amount disallowed (SSA wise only)			Settled Amount

TOTAL FOR THE SSA

TOTAL FOR THE SERVICE AREA

Notes:

Withheld: Numbers and amounts kept pending for want of clarification.

Disallowed: Numbers and amounts not considered for subsidy disbursement on account of incorrect claim. Excludes DNP, Faulty and NIMR cases.

Settled: Amount and number of connections for which either full or part subsidy is payable including cases where part/ zero subsidy is payable on account of DNP, fault and NIMR. [Settled = Claimed – (withheld + disallowed)]

Remarks/ details/ explanations may be furnished, wherever applicable, to be furnished on a separate sheet.

Dated:.....

Signature of CCA/ Jt. CCA

Attachment to Requisition of Fund (RDELS)

(Separate Sheet to be used for Agreement for (a) RDELS installed from 1.4.2002 to 31.3.2005 & (b) RDELS installed from 1.4.2005 to 31.3.2007)

Detailed Report of Claims Settled for Q.E. _____

(To be also sent through e-mail to dotuso@rediffmail.com)

Name of CCA/ Jt. CCA Unit:

Name of the Service Area:

Name of the USP:

Sl. No	Name of SSA	Name of the SDCA	No. of RDELS at the beginning of the Qtr	No. of RDELS added during the Quarter	No. of DELs permanently closed during the quarter	No. of DELs at the end of the quarter	Highest No. of RDELS in any previous Quarter	Net Addition in No. of RDELS during the Qtr.	Status of RDELS in terms of No.s			Subsidy Details				Adjustments, if any, from previous quarters	Net subsidy payable	
									Claimed	Withheld (SSA wise only)	Disallowed (SSA wise only)	Settled	Claimed amount	Amt. withheld (SSA wise only)	Amount disallowed (SSA wise only)			Settled Amount

Appendix IV

Formats of Registers

PROFORMA – A CLAIM SUBMISSION REGISTER											
FINANCIAL YEAR:				QUARTER ENDING:							
Sl. No.	Name of Service Area	Name of the USP	Name of Activity	Date of Receipt of Claim	List of Documents Received	Signature	Remarks				

PROFORMA – B SUBSIDY DISBURSEMENT REGISTER									
FINANCIAL YEAR:				QUARTER ENDING:					
Sl. No.	Name of Service Area	Name of USP	Activity	Amount Claimed	Amount Paid	Sanction No. & Date	Cheque No. & Date	Date of dispatch of cheque	Balance amount surrendered

PROFORMA – C SUBSIDY BOOKING REGISTER												
FINANCIAL YEAR:				QUARTER ENDING:								
Sl. No.	Name of Service Area	Name of USP	Activity	Amount Claimed	Amount Withheld	Amount Payable & Requisitioned	Amt. Authorized	Amount Paid	HEAD OF ACCOUNT*			Booking incorporated in CAC in the month
									3275-00-103	3275-00-902	8235-00-118	

*Note: Amount Paid to be booked under the concerned Heads of Account

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Appendix V

Verification Report of Subsidy Claim Settlement

Report of CCA/ Jt. CCA office for Quarter Ending _____ on Field Visit carried out for Verification of Universal Service Subsidy Claim Settlement Work

(Separate sheet for each activity)

Name of the Office of the CCA/ Jt. CCA:
Name of the USP:

Date/s of Inspection:
Name of the Service Area:

SSA	No. of Connections in the SSA as per Agreement (Except for Operation & Maint. of VPTs)	No. of Connections in the SSA as per claim	Connections remained DNP/ NIMR for full quarter as per billing (In case of RDELs, No. of DELs permanently closed/ shifted out of exchange)	No. of STD enabled connections in case of public access	Total Nos verified	No. of connections matching with Billing Record w.r.t			Faulty for 7 days or more but < 45 days	Faulty for more than 45 days
						Category (VPT/ RCP/ Uncovered/ RDELs)	Category & Village Name	Category, Village Name & Date of Installation/ Replacement		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

Total No. Of SSAs visited during the Quarter:

Remarks/ Recommendations:

Note:

- (1) Column No. (7) to (11) pertain to the sample selected.
- (2) VPTs found to be DNP/ NIMR/ faulty during verification against which subsidy has been claimed & paid shall be adjusted.
- (3) List/ count to be generated from the billing/exchange records wherever required.
- (4) Cases involving duplication of VPTs and name of village within and/or among the USPs may also be taken up during sample verification (Ref: point 4.11 of Chapter 4)
- (5) The discrepancies noticed between billing records and data furnished in the claim shall be immediately brought to the notice of the concerned Circle for rectification of the same with a copy to DDG (RN) in respect of BSNL claims.

(Signature of CCA/ Jt. CCA)

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Appendix VI

Proforma for Physical Verification

I. – PUBLIC ACCESS (VPTs/ RCPs/ PTIC/ HPTIC)

1. Telephone Number (with STD Code) :

2. Board reading Village Public Telephone/ Public Tele Information Centre (PTIC) / High Speed PTIC is displayed.
Yes/No

3. The following information is displayed in local Language and Hindi or English.

- Tariffs Yes/No
- Hours of Operation Yes/No
- Complaint Book Yes/No
- Toll free public utility Nos such as fire, Police, Ambulance, etc Yes/No
- Name and particulars of concerned persons with whom the customer user may lodge their Complaints/ grievances.
Yes/No

4. Location of the facility (Grocer shop/ Panchayat/ others):

5. Whether technology used tallies with the technology specified in the claim. Yes/ No

6. Whether the VPT/ RCP is on Fixed Wireless Terminal (FWT) in the case of wireless technology.
Yes/ No/ Not applicable

7. STD facility available Yes/No

8. Whether rental is being charged in the bills Yes/No

9. Whether fault rectification is satisfactory Yes/No
Remarks, if any.

10. Whether operational Yes/No

- If No, reason (a) Disconnected for Non-payment
(b) Fault
(c) any other reason

Period of non-availability of service: From:

Note: Date of Installation to be verified from Billing Records of the USP.

Date of Inspection:

(Signature and designation of Inspecting Officer)

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***“Knowledge is
the antidote to fear”***

– Ralph Waldo Emerson

CHAPTER 8

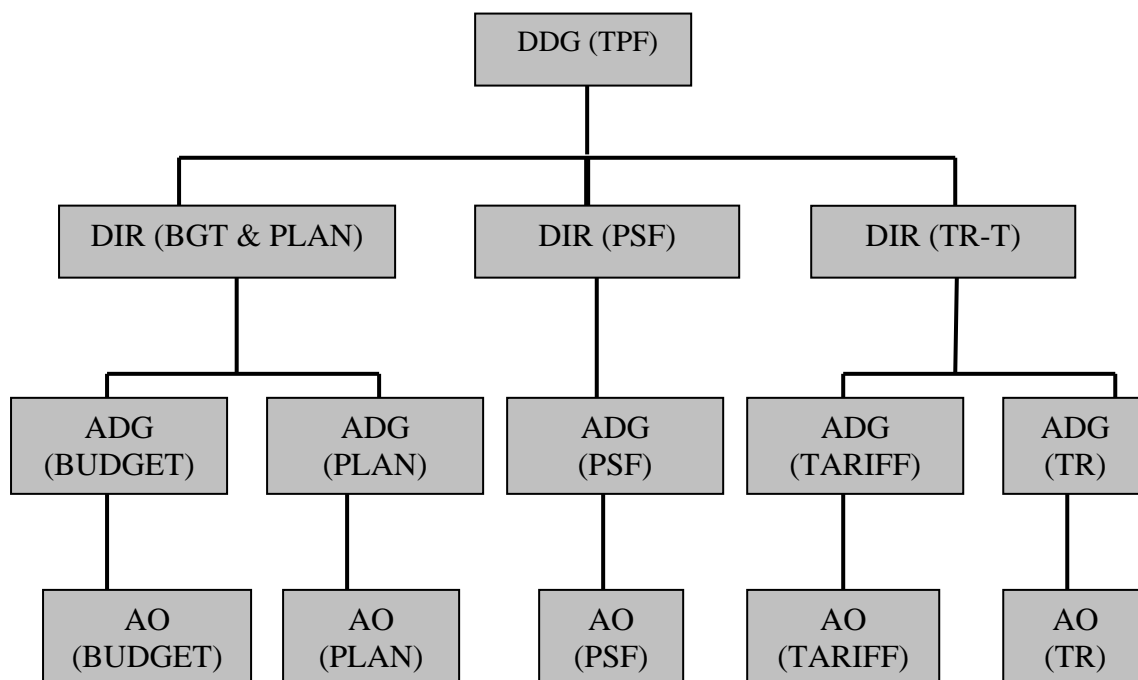
TELECOM PUBLIC (SECTOR) FINANCE

A. Introduction

This branch is mostly referred to as the TPF branch, the acronym TPF standing for Telecom Public (Sector) Finance. It is primarily concerned with financial matters relating to all PSUs under DOT, and also with TR issues of PSUs, telecom tariff, and, w.e.f. 18.06.2007, budget and (financial) planning of DOT.

The DDG (TPF) is the administrative head of this Branch. There are three directors under him – Director (Budget and Plan), Director (Public Sector Finance) and Director (Telecom Revenue and Tariff). They are supported by other officers as shown in the chart below. The duties and functions of the Directors are described further below.

B. Organizational Structure



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C. Items of Work

C1. Budget (Bgt) Section

1. Calling estimate on RE/ BE under Revenue and Capital expenditure from various units.
2. Compilation of estimates.
3. Preparation of statement of BE for pre-budget discussion.
4. Preparation of SBE (Final) along with Notes for inclusion in the Union Budget.
5. Compilation of materials for printing of Demand for Grants and Performance Budget.
6. Work relating to Standing Committee.
7. Re-appropriation and surrender of savings.
8. Preparation of supplementary grants.
9. Parliament questions.
10. Submission of Note for PAC in respect of Excess/ Savings.
11. Attending to ATN on C&AG's Report, PAC report pertaining to Budget Section.
12. Giving Budget para on expenditure sanction.
13. Calling of RE/ BE under Revenue Receipts from various units and PSUs and submission of estimates to MoF.
14. Preparation of Receipt Budget Estimates for inclusion in Union Budget.
15. Submission of monthly IERB Statement in respect of PSUs to CGA.

C1.1 Budget and Budgetary Procedure – an Outline

A statement of its estimated receipts and expenditures is prepared by the Central Government each year for being presented to the Parliament. This Annual Financial Statement is popularly known as Budget.

The estimates of expenditure of the Government of India are comprised of the following two parts:

- (i) *Charged Items* which constitute a charge on the Consolidated Fund of India, (State) e.g. Debt Services, amount payable as per Court decree, etc., and
- (ii) *Voted Items* that should be passed by a Vote of Parliament.

The Annual Financial Statement distinguishes *Revenue* Expenditure from other expenditure, namely, expenditure not met from Revenue, such as *Capital* expenditure, expenditure debitable to certain special funds, such as Capital Reserve Fund, etc.

The budgetary procedure followed during a financial year in the Department of Telecommunications as per the guidelines of Government of India is shown in the table below.

The budgetary procedure starts with the issue of a Budget Circular by the Ministry of Finance to the Ministries/ Departments of the Government of India calling for Revised Estimates (RE) for the current year and Budget Estimates (BE) for the ensuing year.	Middle – last week of September
The Statement of Budget Estimates (SBE), i.e., RE for the current year under Plan and Non-Plan and Budget Estimates for the ensuing year under Non-Plan submitted by the Ministries/ Departments to Ministry of Finance.	Last week of October
Pre-budget discussion between Ministry of Finance and representatives of the Ministries/ Departments.	November
Second batch of Supplementary Demand for Grants – new items, payment against Court Decrees, recoupment of advances from the Contingency Fund or excess requirement of fund above the sanctioned BE approved by MoF are included in the Supplementary Demand – submitted to MoF.	First week of November
Second batch of Supplementary Demand for Grants passed by Parliament and assented to by the President.	Winter session of Parliament – December
RE ceilings for the current year under Plan and Non-Plan and BE ceilings for the ensuing year under Non – Plan communicated by MoF to the Ministries/ Departments.	First week of January

Plan proposals for BE for ensuing year submitted to Planning Commission and Plan Outlay communicated by Planning Commission.	January
Final SBE submitted after receipt of the Non-Plan ceiling from MoF and the Plan Outlay from Planning Commission.	End January
Final batch of Supplementary Demands for Grants submitted to MoF for both Plan and Non-Plan for recoupment of advances from Contingency Fund of India and where the approved RE would result in excess over the sanctioned provision in the Grant.	First week of February
Final batch of Supplementary Demands for Grants passed by Parliament and assented to by the President.	Last week of March
Detailed Demands for grants and Outcome Budget sent to Parliament.	2 nd /3 rd week of March
Proposals for re-appropriation and surrender of funds for the current year submitted to MoF.	End of March
Vote on Account for two months for ensuing year submitted to MoF.	Second week of February
Finance Bill presented in the Parliament.	End of February
Vote on Account assented by the President of India communicated by MoF to all Ministries/ Departments.	Last week of March
Finance Bill passed by Parliament and assented to by President – communicated by MoF to all Ministries/ Departments.	End May
First batch of Supplementary Demands for Grants submitted to MoF for New Items, payment against Court Decrees and recoupment of advance from Contingency Fund.	Monsoon Session of Parliament

C2. Plan Section

1. Processing of Annual Plan Proposals of Telecom Sector for its approvals.
2. Co-ordination work with Planning Commission with reference to Annual Plan.
3. Half-Yearly Performance Review report of Annual Plan sent to Planning Commission.
4. Processing of Five Year Plan Proposals of Telecom Sector for its approvals.
5. Processing of Mid-Term Appraisal of Five Year Plan.
6. Providing Material/ Inputs to Budget Branch for Brief to Standing Committee.
7. Parliamentary Questions related to Annual Plan/ Five Year Plan.
8. Providing material in respect of outlays and outcomes/ targets pertaining to Annual Plan for PSUs/ Units to Budget Branch.
9. Constitution of Gender Budgeting Cell in DoT.

C3. Public Sector Finance (PSF) Section

1. Financial advice relating to Central Public Sector Undertaking (CPSUs) under Department of Telecommunications viz. -
 - (a) Vetting of annual accounts/reports and other accounting reports of PSUs namely BSNL/ MTNL/ TCIL/ ITI and C-DOT.
 - (b) Vetting of expenditure proposals of BSNL/ MTNL/ TCIL/ ITI and C-DOT beyond the power of their Board of Directors.
 - (c) Vetting of proposals relating to raising money through market loans, shares, disinvestments etc.
 - (d) Vetting the sanction of budgetary assistance in the form of loans/shares capital etc to BSNL/ MTNL/ TCIL/ ITI.
 - (e) Vetting the proposals relating to grant of Govt. guarantee in respect of these PSUs.
 - (f) Vetting of annual plans/ Mid-term Appraisals (MTA) & Five Year Plans of PSUs and C-DOT.
 - (g) Advising on financial matters relating to disinvested PSUs i.e. HTL & VSNL.
2. Vetting of proposals relating to release of grant to C-DOT.
3. Vetting of MOUs of BSNL/ MTNL/ TCIL/ ITI and C-DOT.
4. Vetting of C&AG paras & reply to DAP relating to BSNL, MTNL, TCIL, ITI & C-DOT

5. Vetting of proposal relating to amendment/ modification to Articles of Association/ Memorandum of Associations/ bye-laws relating to ITI, BSNL, MTNL, TCIL, ITI and C-DOT.
6. Advising Agenda Items for Board meetings/ Governing Council/ Steering Committee meeting if received through Administrative Branch.
7. Vetting of proposal relating to appointment of Board Level Officers of PSUs and Directors of C-DOT.
8. Vetting of proposals relating to deputation/ delegation abroad of officers of Board level of PSUs
9. Vetting of cases of pay fixation and other services matters in respect of officers of Board level PSUs.
10. Preparation of Statement No.11 (Union Govt. Finance) and related matters.
11. Preparation of Internal and External Budgetary Resources (I&EBR) proposals in respect of PSUs under Department of Telecommunications and related matters.
12. Foreign Exchange budget in respect of DoT WPC Wing including Monitoring Organisation and C-DOT.
13. Compilation of quarterly statement of Govt. guarantee in respect of PSUs under Deptt. of Telecommunications and submission thereof to Ministry of Finance.
14. Parliament questions relating to financial matters of PSUs.
15. Monitoring & accounting of dividend received from PSUs.
16. Monitoring of GOI loan to PSUs/ Autonomous bodies & recovery of interest thereon.
17. Monitoring/review of Government guarantees & recovery of guarantee fee.
18. Monitoring of pension payment with reference to revenue receipt such as dividend, leave salary and pension contributions corporate tax, service tax, license fee & spectrum charges, excise duty, central sales tax etc.

C4. Telecom Revenue Audit (TR Audit) Section

1. Preparing ATNs in respect of Audit Paras and reply to DAPs relating to Telephone Revenue of BSNL and MTNL.
2. Quarterly monitoring of Telephone Revenue of BSNL and MTNL including preparation of Commission Memo to weekly T.C. Meeting on quarterly basis.

C5. Telecom Revenue (TR) Section

1. Complaints regarding excess metering.
2. TR excess bill complaints addressed to Cabinet Secretariat/ Prime Minister's Office/ President's Office.
3. Direct disposal of excess billing complaints addressed to MOC etc.
4. Parliament Questions.
5. TR mailers relating to Parliamentary Committee.
6. Appointment of Arbitrator in TR cases under section 7(B) of ITR.
7. Important matters involving interpretation of rules/ policy matters.
8. Court cases.

C6. Tariff Section (Tariff)

1. Telecom Tariff issues.
2. Interaction with TRAI with respect to Telecom Tariff.
3. Tariff related issues with ITU, APT, SAARC and other international organisation(s).
4. Cases relating to Study Group-III of ITU on Tariff.

5. Parliament Questions pertaining to Telecom Tariff.
6. Standing Committee, Estimates Committee, Consultative Committee, cases relating to Telecom Tariff.
7. Disposal of MPs', VIP cases pertaining to Tariff issues.
8. Examination of different suggestions received from different organisations/ individuals under "Suggestion Scheme".
9. Disposal of other miscellaneous works as and when assigned by higher authorities,
10. Court cases relating to Tariff.

D. Channel of Submission and Disposal of Cases

D1. PSF Section

Sl. No.	Item of work	Channel of Submission	Level of final Disposal
1	Pay and Pension		
	a) Cases of revision of pay in r/o CPSUs scale/ grant of special pay b) Fixation of pay & arrears claim in r/o CPSUs	DIR/ DDG SO/ AO	Member(F) DIR
2	Release of grant of C-DoT/ TRAI	DIR/ DDG	ADV(F)
3	Amendment/ modification of Articles of Association of PSUs	DIR/ DDG	ADV(F)
4	Budget proposals of C-DoT, CPSU and TRAI	DIR	DDG
5	Land acquisition cases of C-DoT & TRAI	DIR	DDG
6	Scrutiny/ monitoring of planned expenditure of PSUs	DIR	DDG
7	Five year plan/ annual plan of PSUs	DIR/ DDG	Member(F)
8	Monitoring of Foreign Exchange Budget	DIR	DDG
9	Review of monthly progress report of PSUs	DIR(FC)	M(F)
10	Write off of obsolete/ unserviceable Store in respect of C-DoT	DIR	DDG
11	Cases for Finance Advice referred by PSUs, C-DoT and TRAI	DIR	DDG
12	Cases beyond the powers of CMD/ Board of Directors of PSUs	DIR/ DDG	M(F)
13	Vetting of ATNs/ Audit Paras of PSUs, C-DoT, TRAI	DIR	DDG
14	Scrutiny of MOUs of PSUs	DIR	DDG

D2. TR Section

Sl. No.	Item of work	Channel of Submission	Level of final Disposal
1	Cases relating of DAPs		
	a) At the stage of DAPs b) Replies of CAG paras/PAC paras	ADG/ DDG/ ADV(F) ADG/ DDG/ ADV(F)	M(F) M(F)
2	Complaints addressed to		
	(a) Chairman(TC) (b) Sanchar Mantri	DIR/ DDG DIR/ DDG	Ch(TC) MoSC/ MOC
3	TR excess bill complaints addressed to:		
	(a) Cabinet Secretariat/ PMO (b) Non-VIP Complaint	ADG/ DIR ADG	DDG DIR
4	Appointment of Arbitrators in TR Cases under Section 7(B) of ITR	ADG	DDG
5	Compilation of data on Telephone Revenue of BSNL/ MTNL	AO	ADG
6	Court cases	ADG/ DIR	DDG

D3. Tariff Section

Sl. No.	Item of Work	Channel of Submission	Level of final Disposal
1	Tariff matter relating to : Parliamentary Standing Committee on Communication	ADG/ DIR/ DDG/ ADV(F)	M(F)/ Chairman (TC)
2	O&M returns	SO/ AO	ADG/ DIR
3	Parliament questions on tariff	ADG/ DIR/ DDG/ M(F)	MOC
4	Audit paras/C&AG Report/PAC Paras on Tariff cases	ADG/ DDG	Member (F)
5	Court cases	ADG/ Director	DDG
6	VIP/Minister cases	ADG/ DIR/ DDG/ ADV(F)	MOC
7	Co-ordination with TRAI on tariff policy matters	DIR/ DDG/ ADV(F)	Member(F)
8	Issues relating to tariff policy	DIR/ DDG/ ADV(F)	Telecom Commission
9	Co-ordination with ITU and APT on Tariff matters	DIR/ DDG/ ADV(F)	Member(F)
10	Co-ordination with TAS Group and SAARC Group on tariff matters.	DIR/ DDG/ ADV(F)	Member(F)

D4. Budget Section

Sl. No.	Item of work	Channel of Submission	Level of final disposal
1	Review of proposal for budgeting new works a) Below Rs.one crore b) Rs. one crore and above	AO ADG	AO ADG
2	Reporting and obtaining of either total or full grant through supplementary demand for non-budgeted works	AO/ ADG/ DIR	DDG
3	Misc. correspondence relating to budget/ accounts	JAO/AO	ADG
4	Cases relating to suggestions/ interpretation of rules/ accounts procedure	ADG/ DIR	DDG
5	Inter-departmental settlement	ADG/ DIR	DDG
6	Revenue receipts Fixation of RE/ BE/ FG	ADG/ DIR/ DDG/ ADV(F)	M(F)
7	Working expenses i) Fixation of RE/BE/FG ii) Fixation of reserve under WE before issue of original allotment	ADG/ DIR/ DDG AO/ ADG/ DIR	M(F) DDG
8	Allotment of additional funds under working expenses (except OTA medical Ceiling) a) Cases involving not exceeding Rs.5 lakhs at a time b) Cases involving revision exceeding Rs.5 Lakhs but not exceeding Rs.10 Lakhs c) Cases involving revision exceeding Rs. 10 lakhs	JAO/ AO AO/ ADG DIR	ADG DIR DDG
9	Review of statement showing progress of expenditure vis-a-vis allotment under working expenses a) Cases where the expenditure does not exceed the proportionate allotment by 5% of Rs.20 lakhs which ever is less b) Cases where the expenditure exceed the proportionate allotment by 5% but does not exceeds 90% or Rs.50 lakhs whichever is less c) Cases where the expenditure exceeds the allotment by 10% or Rs.50 lakhs	JAO/ AO AO/ ADG DIR	ADG DIR DDG
10	Overtime Allowance/ Medical treatment		

	a) Fixation of ceiling at various budgetary stages for the DOT as a whole	AO/ ADG/ DIR	DDG
	b) Cases involving revision upto Rs.5 lakhs at a time	JAO/ AO	ADG
	c) Cases involving revision exceeding Rs.5 lakhs but below Rs 10 lakhs at a time	AO/ ADG	DIR
	d) Cases involving revision exceeding Rs.10 lakhs at a time	DIR	DDG
	Review of progress of expenditure for the Department as a whole	JAO/ AO/ ADG	DIR
11	Loans and advances: i) Allotment of funds to the circles at BE/ RE stages ii) Revision of allotments a) Cases involving revision upto Rs.5 lakhs at a time b) Cases involving revision exceeding Rs.5 lakhs but not exceeding Rs. 10 lakhs at a time c) Cases involving revision exceeding Rs.10 lakhs at a time	AO/ ADG/ DIR JAO/ AO AO/ ADG DIR	DDG ADG DIR DDG
12	New items, fixation of ceiling for the whole department	AO/ ADG/ DIR	DDG
13	Allotment of additional funds: i) Cases involving not exceeding Rs.5 lakhs at a time ii) Cases involving revision exceeding Rs.5 lakhs but not exceeding Rs.10 lakhs iii) Cases involving revision exceeding Rs. 10 lakhs	JAO/ AO AO/ ADG DIR	ADG DIR DDG
14	Allotment of funds	AO/ ADG/ DIR	DDG
15	Review of Headwise expenditure statement for units: i) more than Rs. 1 crore ii) serious variation	JAO/ AO/ ADG AO/ ADG/ DIR	DIR DDG
16	Review of statement of total expenditure received monthly from TA Section	JAO/ AO/ ADG	DIR
17	Review of progress of expenditure on projects costing Rs.5 Crores and above	AO/ ADG	DIR
18	Review of progress of expenditure on projects costing Rs.5 Crores and above Costing beyond Rs. 20 crores	AO/ ADG/ DIR	DIR
19	Examination of request for additional Allotment	AO/ ADG/ DIR	DDG
20	a) Vetting of budget paragraphs of sanctions issued by Directorate b) Cases returned without vetting	JAO JAO/ AO	AO ADG
21	Monthly Statement of IEBR of PSUs to CAG	AO/ ADG	DIR
22	Preparation of SBE (i) for Pre-Budget Discussion (ii) for RE final (iii) for BE final	ADG/ DIR/ DDG/ ADV(F) - do - - do -	Member(F) - do - - do -
23	Printing of Demand for Grants and Outcome Budget (i) Approval of Draft material (ii) Proof reading (iii) Placing order (iv) Taking delivery and distribution	ADG/ DIR/ DDG/ ADV(F) AO ADG AO	Member(F) AO ADG AO
24	Standing Committee (i) Calling for briefs (ii) Compilation of briefs and approval of	ADG/ DIR ADG/ DIR/ DDG/	DDG

	material to be supplied (iii) Finalisation of list of officers to attend internal/ oral evidence meetings (iv) Submission of replies to Questionnaires/ Observation/ Recommendations	ADV(F)/ M(F) ADG/ DIR ADG/ Dir/ DDG/ Adv(F)/ M(F)	CH(TC) DDG CH(TC)
25	Preparation and submission of ATN on C&AG/ PAC paras	ADG/ DIR/ DDG/ ADV(F)	M(F)
26	Five Year Plan proposals of Telecom Sector and Mid-Term Appraisal of Plan Schemes.	DIR/ DDG/ Adv(F)/ M(F)	CH(TC)
27	Preparation and processing of Annual Plan proposals of Telecom Sector.	DIR/ DDG/ Adv(F)/ M(F)	CH(TC)

E. Circulars & Orders Relating to (Tr-T) Section

DOT No. 13-Arb/Genl/93-TR dated 31.03.1994

Subject: Appointment of Arbitrators under Section 7B of I.T. Act 1885 in respect of alleged Excess Metering Complaints

References: This Office letter Nos.

- (i) 13-324/Arb/88-TR dt.13.4.89
- (ii) 13-Arb/R/Genl/87-TR dt.16.11.89
- (iii) 13-1347/Arb/90-TR dt.22.2.91
- (iv) 13-Misc/Arb/90-TR dt.7.8.91
- (v) 13-Misc/Arb/91-TR dt.31.12.91

According to Section 7B of the Indian Telegraph Act, 1885, if any dispute concerning telegraph line arises between the telegraph authorities and the subscriber, the dispute shall be referred to Arbitrators appointed by the Central Government.

2. According to above provisions arbitrators are appointed in cases of excess metering when court orders for the same. The Heads of Circles/Telephone Districts are referring all such cases to this office for appointment of arbitrators. It has been observed that the cases are not submitted to this office with all the required particulars as a result of which appointment of arbitrators is getting delayed. The following instructions are issued for guidance and strict compliance.

- (i) The cases for appointment of arbitrators will be submitted invariably in the prescribed proforma, a copy of which is enclosed.
- (ii) Two or three eligible officers are to be nominated along with their designation and address in full.
- (iii) The officers nominated will be preferably from among Junior Administrative Grade and from among Group "A" service in STS grade in case sufficient number of officers in JAG cadre are not available. Officers who are due for retirement within next 6 to 8 months period will not be nominated.
- (iv) An arbitrator appointed will not be changed except in *exceptional cases on the recommendation of the CGMs*. All requests for cancellation of appointment order will be sent through the CGM who should recommend for cancellation and nominate some other officer for appointment.
- (v) In cases where officers appointed as arbitrator are transferred/ retired the matter should be referred to this office along with revised nomination promptly.
- (vi) Arbitration proceeding shall be conducted in the city/ town where the telephone connection is working except in cases where court orders otherwise.
- (vii) It should be ensured that the arbitrator is got appointed within the stipulated period to avoid contempt of court wherever court orders to this effect are given.
- (viii) This monthly statement of arbitration cases received, disposed off, pending etc. is not being received regularly. It should be ensured that the statement is sent in the enclosed proforma by 15th of each month positively so as to avoid any legal complications.

Kindly acknowledge the receipt of this letter.

Encl: proforma

(Ed.: The proforma was not available)

DOT No. 2-5/2003-TR dated 31.01.2005

Subject: Regarding Appointment of two full time Arbitrators
Reference: D.O. No. MTNL/TR/2004/Appt. of Arbitrator/10 dated 10.01.2005

Kindly refer to the above mentioned letter addressed to Chairman (TC) requesting him to appoint two full time arbitrators to adjudicate the arbitration proceedings under Sec 7B of IT Act.

The matter has been examined and it has been observed that permanent appointment of MTNL officers as Arbitrators for the disputes arising between MTNL & subscribers can be perceived with lack of fair play and justice. DOT being a neutral party, selection/ approval of arbitrator on case to case basis would meet the hallmark of dispensing justice and would also instill the confidence in the public.

Hence it has been decided that appointment of arbitrator would be done by DOT on case to case basis. This procedure is also in conformity with Sec 7B of the IT Act.

This issues with the approval of Member (F).

F. Legal Opinions in Various TR Cases

Note: The various legal opinions presented below are to be taken as informative only as legal advice may vary from case to case.

File No. 13-Misc/Arb/2000-TR-DOT

Subject: Legal Advice dated 20.06.2001 regarding if Customer Dies within the Pendency

If any customer dies within the pendency of the arbitration proceedings then the Arbitrator has to decide how to proceed ahead. On facts, as narrated in the file, this question has not arisen. Hence the question is not answered.

LA (Conveyancing)

File No. 13-Misc/Arb/2000-TR

Subject: Legal Advice dated 10.7.2001 regarding proceedings between the Legal Heir of ex-subscriber and Telegraph Authority

A demand is required to be made of the pending dues on the subscriber, and in case of his death on his legal heirs. In case such demand is not paid or is refused, then proceedings for recovery of such dues can be started against the legal heirs after the death of the subscriber.

LA (Conveyancing)

File No. 13-Misc/Arb/2000-TR

Subject: Legal Advice dated 14.6.2002 regarding Recovery of Old Outstanding Revenue Dues from Defaulting Telephone Subscribers

The facts here are that BSNL wrote a letter as at stating that outstanding telephone dues named as Accounts Recoverable are transferred but for their recovery, BSNL needs more time. In this context it is requested that DoT may grant relaxation in *limitation* in the form of one time exemption for a period of 3 years with effect from 1.10.2000.

2. The telephone dues arising out of service given by Director General Telecom are recoverable by way of arbitration under Section 7B, Indian Telegraph Act. The period of limitation for Govt. is 30 years under Article 112, Limitation Act, 1963. The pending dues when transferred to BSNL, some customer may plead bar of limitation but it can be argued that transfer has taken place on 1.10.2000 and from that date *limitation* will start counting. The Limitation Act has provided a period of 3 years for recovery in contractual matters. Taking this analogy farther, it can be contended that 3 year's period is available to BSNL from the date of its formation.

3. The limitation Act, 1963 is a Parliamentary Enactment and no administrative order can grant any relaxation in the statutory period. It is wrong to contend that one-time relaxation is required to be given to BSNL under the Statute because such

relaxation is not possible without an Amendment to the Act of 1963 which if carried out, will be a permanent affair for all persons whosoever covered under the Amendment

4. Telephone dues arise out of a service whether granted by DG Telecom or BSNL. Such dues are not recoverable as land revenue. There is no provision under Indian Telegraph Act which enables this recovery as of land revenue especially when the quantum of dues itself is not adjudicated by a proper forum. There can be a dispute on the quantum of dues which is claimed by BSNL. The best way to recover these dues for the benefit of BSNL is to appoint arbitrator under the aegis of the Central Government whose award can be enforced as a decree and recovery can be made easily. Needless to say that this exercise will need a large number of persons who can start hearing the dispute of non-payment and can finish their job urgently.

LA (Conveyancing)

File No. 13-Misc/Arb/2000-TR

Subject: Legal Advice dated 21.05.2003 regarding Legal Heir can be made a Party

The arbitration proceeding in this case appears to have commenced in 1999. As such, the same will be regulated under the Arbitration & Conciliation Act, 1996. As per Section 40 of this Act, the arbitration proceeding can continue against the legal representative of a deceased party. By virtue of Section 2(4), this position will hold good in the case of a statutory arbitration also.

2. It is seen from the letter dated 29.04.2003 of the Chief Accounts Officer (PIL) MTNL, placed at Flag 'D', that Sh. Ajit Singh is already participating in the arbitration proceeding on behalf of his deceased father late Sh. Charan Singh. There would not be any legal objection to continue the present arbitration proceeding against Sh. Ajit Singh as the legal representative of his father.

Jt. Secy. & LA

File No. 13-9/18-19/Arb/2000-TR(18)

Subject: Legal Advice dated 11.09.2003 regarding 'Can Appointment of an Arbitrator be Challenged?'

Section 7B of the Indian Telegraph Act empowers the Central Govt. to appoint an arbitrator for resolving the dispute. This provision does not require that the arbitrator should be a Govt. servant. Therefore, even if an officer appointed under this section as arbitrator either retires or is transferred during the pendency of the proceedings, he can be allowed to continue the proceedings. However, on the death of such a person, a new arbitrator will have to be necessarily appointed. In the instant case, since a new arbitrator has already been appointed, the earlier arbitrator has become *functus officio*. Now the new arbitrator would hold the proceedings. The appointment of an arbitrator can be challenged only if his independence or impartiality is doubted, or he becomes unable to perform his functions or if he fails to act without undue delay. As per the Arbitration & Conciliation Act, such a challenge is to be made before the arbitrator himself.

2. So far as the letter dated 1.8.03 of Sh. Pratap M. Thacker is concerned, it does not deserve any reply from the department.

Jt. Secy. & LA

File No. 13-25/1/Arb/TR/2004

Subject: Legal Advice dated 22.7.2004 regarding Challenge of Award before the High Court

The facts in brief are that Shri Peeyush Khare, the then CGMT, Madhya Pradesh Circle, Bhopal was appointed as an arbitrator under Section 7B, Telegraph Act by order dated 08.09.1999. The arbitrator so appointed pronounced an award. Though the subscriber expired when reference to arbitration was made but the arbitrator has given an award stating that bills can be realized on presentation from legal heirs of the deceased. The aforesaid award is dated 16/17.02.2000. This award has arisen out of statutory arbitration and is binding on Deptt. of Telecommunications as well as on the opposite party till it is not set aside. As none of the two have approached the High Court for getting the award set aside so this award continues to remain valid and enforceable. On the face of this award no fresh arbitrator can be appointed nor the matter can be sent back to the same arbitrator. Presently after expiry of about 4 years from the date of award, it is not permissible to challenge the same before the High Court.

LA & Addl. Secy. (Conveyancing)

Dy. No. 331/LA/2004

Subject: Legal Advice dated 23.08.2004 regarding Change of Arbitrator

The issue under examination is whether Arbitrator already appointed on 21.5.2002 can be changed for determination of dispute between Shirley Augusty and UOI.

In the said matter Hon'ble High Court of Madras vide judgement dated 5.4.2002 directed to refer the dispute with regard to the bills alleged in the petition to arbitration as per Section 7B of the Indian Telegraph Act, 1885 within a period of 8 weeks from the date of receipt of copy of this order. Thereafter Shri V.S. Ilanthirai, DGM (Instl.), Chennai Telephones was appointed as Arbitrator on 21.5.2002 with the direction to give the award within 4 months unless extended by mutual consent of the parties and with sufficient reason. Shri V.S. Ilanthirai, DGM(NC) & Arbitrator has mentioned that due to tight schedule targeted installation work he was not in a position to hold arbitration proceedings and the same was conveyed to the then DGM(Admn). When the arbitrator came to know that the above arbitration case was still pending against his name only after receiving the letter from the GM (Admn), instructing him to complete the cases without any further delay. Thereafter the Arbitrator started arbitration proceedings and issued first notice to the parties on 16.3.2004 after 22 months from the date of appointment, which was challenged by the subscriber that the time allowed for finalizing the case has been expired. In the said matter the Sr. Counsel for Central Government vide his advice dated 5.8.2004 has recommended change of arbitrator and further mentioned that if the said change is challenged by the subscriber we defend the same at that stage.

As the Arbitrator has expressed his inability to continue as Arbitrator in this matter so a new Arbitrator can be appointed.

Asst. LA

Dy. No. 462/LA/2004 dated 24.11.04 File No. 13-24/27/Arb/2004-TR

Subject: Legal Advice dated 1/12/04 regarding Appointment of Arbitrator when Subscriber's whereabouts are not known

The issue under examination is whether an Arbitrator can be appointed to make recovery of outstanding telephone bill from subscribers whose whereabouts are not known and the bills are going to be time barred.

The brief facts of the case are that accumulation of outstanding dues of Rs.71,422/- and Rs. 11,850/- in respect of Delhi Telephone Nos. 27653975 in the name of Ms. Arvinder Kaur Chadha, W/o Shri Harpal Singh, 585, First Floor, Dr. Mukherjee Nagar, Delhi-9 and Telephone No. 27653950 in the name of Shri Harpal Singh. Telephone No. 27653975 was not disconnected despite outstanding dues against the same and another telephone No. 27653950 was provided at the same premises in violation of instructions issued vide DOT No. 2-27/98-PHA dated 26.6.2000 published in Extraordinary Gazette Part-II, Section-3, Sub-section-(i) dated 11.10.2000.

The Jurisdiction of an arbitrator depends not upon the existence of a claim or the accrual of a cause of action, but upon the existence of a dispute. A dispute implies an assertion of a right by one party and repudiation thereof by another. A failure to pay is not a difference, and the mere fact that a party could not or would not pay does not in itself amount to a dispute unless the party who chooses not to pay raises a point of controversy regarding, for instance, the basics of payment or the time or manner of payment. In the present case no controversy is outlined which requires decision of arbitrator. The controversy can be revised by positive, refusal or some other omission.

From the notes, it is evident that neither the whereabouts of the subscribers are known to MTNL, Delhi nor any dispute appears to have been raised by the subscribers. In the above circumstance, there is no question of appointment of any Arbitrator. Moreover, if the subscriber's whereabouts are not known then how the recovery, if any, can be made even where a legal enforceable award is pronounced. In this sense of the term, the question referred is academic.

Asst. LA

File No. 13-Misc/Arb/2000-TR

Subject: Legal Advice dated 17.5.2005 regarding Arbitrators has to take Decisions on his own

An Arbitrator was appointed pursuant to order dated 29.12.2004 passed by District Consumer Disputes Redressal Forum, Bijapur. The copy of the order of the District Consumer Dispute Redressal Forum is not available in the file. The appointed Arbitrator stated that CBI is investigating the matters relating to telephone of a subscriber Shri R.S. Bagwan and whether during the pendency of investigation by CBI he can proceed with the arbitration.

Firstly, Arbitrator has to take decision on his own and he cannot act on the dictates/advice of other authority. Hence he may decide himself whether to proceed with the arbitration or to keep the matter pending *sine die*. Prime facie there appears no objection if the Arbitrator continues with the arbitration proceedings.

LA (Conveyancing)

File No. 13-9/32-34/Arb/2000

Subject: Legal Advice dated 17/06/05 regarding time Limit for Completion of Arbitration Proceedings

In short the facts are that a dispute was raised before the Court of Principal Civil Judge, Mangalore by subscriber Mrs. Geetha

Acharya with regard to the validity of some bill. The Court of Principal Civil Judge by order dated 13.10.1998 directed the parties to go for arbitration under Section 7B of the Indian Telegraphs Act, 1885. The Department of Telecommunications appointed the arbitrator by order dated 24.7.2000. The appointed Arbitrator did not start the proceedings. Now when the proceedings proceeded ahead an objection raised by the opposite party that four months time from the date of issue of order has already been expired. The question has been raised whether this four months time is required to be extended.

The file has been sent without application of mind. The period of four months is neither specified in Court order dated 13.10.1998 nor anywhere else especially when Arbitration Act, 1940 is not applicable. The opposite party is likely to take all pleas but that does not mean that such plea is real and substantial. Section 7B of Indian Telegraph Act do not provide any time for completion of the arbitration proceedings. Hence the question of extension of four months time does not arise.

LA & Addl. Secy. (Conveyancing)
File No. 13-Misc/Arb/2000-TR

Subject: Legal Advice dated 21.06.2005 regarding Appointment of Arbitrator when Subscriber is Missing

Apropos telephonic conversation with Shri M.M. Sharma, GM (Legal), MTNL, the question here is appointment of arbitrator where telephone bills have not been paid but subscriber is also missing and not available. In this context we said that for appointment of an arbitrator a dispute is required to be raised. Any dispute can be raised either by refuting claim or by keeping mum for a long time without making payment despite raising of demand. In the present context none of the two situations has occurred because of the non-availability of the subscriber. Hence appointment of arbitrator where subscriber is untraceable does not conform to the legal provisions.

LA (Conveyancing)

File No. 13-15/13/Arb/2004/TR

Subject: Legal Advice dated 22.06.05 regarding Challenge of Award

Here the Arbitrator appointed under Section 7B of Indian Telegraph Act 1885 has pronounced the Award. The Award is not to the liking of the husband of the subscriber who wants a Review Committee to examine the legality of the Award. The demand of Review Committee is not provided in law and may be rejected. This Award is statutory which can only be challenged before the High Court by filing Civil Writ Petition.

LA & Addl. Secy. (Conveyancing)

File No. 13-5/10/Arb/2003-TR

Subject: Legal Advice dated 24.06.05 regarding Challenge of Award

The Award of the Arbitrator appointed under Section 7B Indian Telegraph Act can only be challenged by filing Civil Writ Petition before the High Court. There is no appeal or review lies against such Award. Moreover, the Arbitrator being Judge appointed under Section 7B by Central Government need not defend his Award. It is beyond understanding that why he wants to defend his Award if challenged.

LA & Addl. Secy. (Conveyancing)

G. Circulars & Orders Relating to Budget

Department of Economic Affairs F. No. 7/13/2001-NS(1) dated 24.04.2001

Subject: Lumpsum Provision for North Eastern Region & Sikkim

Communications have been received from the Planning Commission regarding certain shortcomings in lump sum provisions made for North Eastern Region & Sikkim for the fiscal 2001-02. Based on the review of the Budget Documents for 2001-02, certain lacunae have been observed in the manner of depiction of the provision and the quantum allocated. With a view to maintaining uniformity in depiction and in the quantum of allocation the following is clarified for information and guidance:

- (a) 10% of Central Plan allocations is to be earmarked for projects/schemes for the benefit of North-Eastern Region and Sikkim. It is observed that in case of a number of Ministries/ Departments the provision indicated is much lower than the stipulated percentage, It is reiterated that the provision made for the lump sum amount should be in accordance with the Budget Division letter of 28.01.00.
- (b) The lumpsum provision of project/schemes for North Eastern Region & Sikkim should be made under Major Mead 2552 (in case of revenue expenditure) and Major Head 4552 (in case of capital expenditure). Certain Ministries/ Departments have incorrectly depicted the provision under other Major Heads. Changes in classification may be

brought about by taking necessary supplementaries.

- (c) Except such Ministries/ Departments that have been exempt from making provision for North Eastern Region & Sikkim, all others are to make such allocation. Ministries/ Departments like Water Resources, Public Works, Telecommunications, Industrial Policy & Promotion, Small Scale Industries & Agro & Rural Industries have not made any allocation and may clarify to this Ministry if they have been exempted from making allocation for North Eastern Region Sikkim, by the Planning Commission.

This issues with the approval of Secretary (Expenditure)

Secretary, Department of Expenditure D.O. No. 2(66)-B(CDN)/2001 dated 12.6.2001
Addressed to all the Secretaries to the Government of India

Finance Ministry has been receiving references from several Ministries/ Departments regarding difficulties in re-appropriation of funds from the lump-sum provision for schemes for the benefit of North-Eastern Region and Sikkim to relevant functional heads.

2. As per the Delegation of Financial Powers Rules, certain powers vest with the Ministry of Finance for reappropriation of funds which can be met out of savings available within the Grant. It has now been decided that as far as reappropriation of funds from the lump-sum provision for schemes for benefit of North-Eastern Region and Sikkim are concerned, the power to re-appropriate will be delegated to the Secretaries of the Ministries/ Departments, who will exercise this power in concurrence with their Financial Advisers. It may, however, be stressed that this particular delegation of power is limited to the re-appropriation of funds from lumpsum provision to the schemes for the benefit of schemes/ programmes in the North Eastern Region and Sikkim alone. It is, thus, the responsibility of the concerned Ministry/ Department to ensure that no re-appropriation from the lump sum provision for the North Eastern Region and Sikkim is carved out for schemes which are not for the benefit of NER and Sikkim.

Department of Economic Affairs No. F.7(6)-B(R)/2001 dated 20.07.2001

Subject: Sixteenth Report of the Public Accounts Committee (13th Lok Sabha) Union Government Appropriation Accounts (Civil) — 1996-97 — Measures for minimising “Unspent Balances”

The undersigned is directed to invite a reference to the observations and recommendations made by the Public Accounts Committee in Para 13.1 of their above mentioned Report and to say that the Public Accounts Committee while taking adverse note of the whopping saving of Rs. 44231.22 crore in the grants pertaining to civil Ministries/ Departments for the year 1996-97 has noted that out of the above saving Rs. 29466.03 crore was on account of less drawal of 31 days Treasury Bills. Excluding these Treasury Bills savings, the effective saving of Rs.14765.13 crore constituted more than two times the supplementary grants of Rs.7326.86 crore and 3.5 per cent of the total provision of Rs. 420902.71 crore. The Committee has further observed that there was aggregate savings (both Revenue and Capital Sections) amounting to Rs. 11266.16 crore in the Voted portion and Rs. 32965.06 crore in the Charged portion.

2. Taking serious view of this state of affairs, the Public Accounts Committee has observed that this indicates the lack of earnestness on the part of Ministries/ Departments concerned reflecting on the injudicious formulation of budget estimates utilisation of funds, where such savings could have been reduced, if not avoided altogether, by making realistic budgetary projections by the concerned Ministries/ Departments.

3. In order, therefore, to avoid this recurring malady, all Ministries/ Departments are advised that existing mechanism of review, monitoring and control should be so geared as to make a more careful formulation of plan/schemes having regard to ground realities and achievable targets and also to make realistic assessment of funds. The monitoring mechanism to oversee flow of expenditure under various schemes should also be tightened in such a way as to keep a monthly watch over flow of expenditure. In case there is likelihood of any savings, corrective action should be taken immediately to surrender the saving well in advance as required under Rule 69 of General Financial Rules.

Department of Economic Affairs F. No. 2(66)-B(CDN)/2001(Vol.II) dated 13.09.2002

Subject: Budgeting for/ Expenditure from Lumpsum Provision for North Eastern Region & Sikkim

In accordance with the decision of the Government, all Ministries/ Departments, unless specifically exempted from doing so, are to make a lumpsum provision of 10% of their central plan allocation for projects/ schemes in North Eastern Region and

Sikkim. Over the years Ministries/ Departments have been making these provisions and incurring expenditure in the region in terms of laid down decisions on the subject. However, certain divergence in practices have been observed in the matter and, therefore, the following is clarified for guidance:

- (a) Lumpsum provision for Revenue expenditure in the NE region should be provided for under Major Head 2552- "North Eastern Areas". Similarly lump sum provision for capital expenditure should be provided under Major Head 4552- "Capital Outlay on North Eastern Areas". It is important to make a realistic assessment of revenue and capital provision at the Budget formulation stage itself since reappropriation from revenue to capital and vice versa is not within the powers of the Ministries and will call for a supplementary provision. The practice of making provision for North Eastern Region and Sikkim should not be done under any other major head, as has been observed in the case of some Departments.
- (b) At the revised estimate stage, the lump sum provision should be 10% of the revised plan amount and depicted accordingly in SBE's. It has been observed that some Ministries/ Departments have been showing a zero provision at the RE stage under the lump sum heads on the ground that the amounts due to be spent in the region have been duly reappropriated for Project/ Schemes in the region. With a view to maintaining uniformity across Ministries/ Departments it has been decided that all Ministries/ Departments at the RE stage indicate lump sum provisions as 10% of the central plan RE amount unless exempt from making provisions for the region.
- (c) In some Ministries/ Departments there are large savings being reported under Major heads 2552 and 4552 at the end of the year on account of inadequate expenditure in the region. It is impressed upon all Ministries Departments that expenditure in the region should be in conformity with time 10% requirement as has been laid down. Large savings will be contrary to instructions issued by this Ministry on strict financial discipline, based on recommendations of the Public Accounts Committee.
- (d) Instances of reappropriations being proposed from lump sum provision in the North Eastern Region and Sikkim to other Projects/ Schemes outside the region have been received in this Ministry. It is reiterated that such proposals will not ordinarily be entertained in this Ministry. Expenditure should be undertaken on Projects/ Schemes in the region itself.

The above issues in consultation with the Department of Development of North Eastern Region.

Department of Economic Affairs F. No. 15(4)-B(D/12003 09.07.2003

Subject: Opening of Detailed Head "Information Technology" under Six Level Heads Classification in Detailed Demands for Grants of the Ministries/ Departments

In pursuance of the recommendation of High Power Committee for improving administrative efficiency for earmarking an amount exceeding 2-3 per cent of Ministries/ Departments' budget for initiatives relating to furthering the use of Information Technology, including training, acquisition of hardware, software as well as development and maintenance of software etc., Planning Commission had vide their D.O. No. H-11016/32/97-PC dated 24.4.1998 and U.O. No. N-11016/8/2000-PC dated 23.10.2000 directed all Ministries/ Departments to locate the required amount for Information Technology. Ministry of Finance, Department of Expenditure had also issued a circular F. No. 10/3/E.Coord/99 dated 9.11.1999 reiterating the same, with the specific instructions to all Financial Advisers that a separate budget head be indicated for the purpose.

2. At present no specific object head for booking of expenditure for "Information Technology" exists in DFPRs. To ensure common standardization of heads of classification and to facilitate the monitoring of expenditure incurred by various Ministries/ Departments, on "Information Technology", it has been decided in consultation with Controller General of Accounts and Department of Expenditure, to place "Information Technology" at 'detailed head' level at the fifth level of classification in Detailed Demands for Grants. A standard computer code, i.e. '99' has been allotted against "Information Technology" to serve the purpose of consolidating the expenditure incurred by a Ministry/ Department on the same.

This issues with the approval of Additional Secretary (Budget).

Department of Economic Affairs No. F. 12(20)-B (SD)/2002 dated 16.10.2003

Subject: Government Guarantees – Preparation of Database

The enactment of the Fiscal Responsibility & Budget Management Act, 2003 has re-emphasised the need for effecting measures towards fiscal adjustment and consolidation together with the need for greater transparency in the fiscal process. The C&AG of India has also established the Government Accounting Standards Advisory Board (GASAB) for the Union and the States with a view to establishing and improving standards of governmental accounting and financial reporting and enhance accountability mechanism. As part of the effort of the government to address a range of fiscal issues as also to

provide uniform and complete disclosure it has been decided to review the existing reporting methodology with regard to government guarantees.

2. It is accordingly requested that in order to create a database, information in the enclosed proforma (*Annexure-II*) may be furnished to this Ministry in respect of the cases, under your ministry. The information may be furnished after thoroughly scrutinising each case and with the approval of the Financial Adviser so that correctness of the information furnished is ensured.

3. It would be seen that the proforma enclosed, inter alia, provides for classification of the guarantees in terms of class and sectors vide Col. 7 and 8. Class and sectors have been listed in *Annexure-I* for guidance and ready reference. While filling the proforma the sectors to which guarantee is provided may be indicated in full. In case of the class only the legend as indicated against each class may be used. .

4. It is further requested that the information may be furnished immediately in the first instance and thereafter the information may be furnished quarterly as is the normal practice. In cases of guarantees where the data undergoes a change from the previous quarter, the same may be suitably highlighted in the forwarding letter.

ANNEXURE-I

GUARANTEE CLASS		
i.	Guarantees given to the RBI, other banks and industrial and financial institutions for repayment of principal and payment of interest, cash credit facility, financing seasonal agricultural operations and/or for providing working capital to companies, corporations and cooperative societies and banks;	[A]
ii.	Guarantees given for repayment of share capital, payment of minimum annual dividend and repayment of bonds/loans, debentures issued/raised by the statutory corporations and financial institutions	[B]
iii.	Guarantees given in pursuance of agreements entered into by the Government of India with international financial institutions, foreign lending agencies, foreign governments contractors, supplier, consultants, etc., towards repayment of principal, of interest/Commitment charges on loans, etc., and/ or for payment against supplies of material and equipment;	[C]
iv.	Counter-guarantees to banks in consideration of the banks having issued letters of credit/authority to foreign suppliers for supplies made/ services rendered;	[D]
v.	Guarantees given to Railways/ State Electricity Boards and other entities for due and punctual payment of dues by Companies/ Corporation.	[E]
vi.	Performance guarantees given for fulfillment of contracts/ projects awarded to Indian companies in foreign countries;	[F]
vii.	Performance (guarantees given for fulfillment of contracts/ projects awarded to foreign companies in foreign countries.	[G]
viii.	Any others	[H]

GUARANTEE SECTOR

- i. Power
- ii. Cooperative
- iii. Irrigation
- iv. Roads & Transport;
- v. Urban Development & Housing;
- vi. Other Infrastructure;
- vi. Any other.

ANNEXURE-II**Proforma for Creating/ Updating Data Base for the Government Guarantees**

Name of Ministry/ Department

Report for the Quarter ending

[Rs. in Crore]

Sl. No	Beneficiary (Name of the PSU etc in whose favour guarantees is given)	Loan Entity giving Loan	Authority for Guarantee (MOF approval no. & Date)	Period of validity [MOF ID No. & date through which the guarantee was last extended]	Purpose of loan	Class	Sector	Details of Reschedule	Details of Securities pledged
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.

Amount of Loan	Extent of Guarantee			Additions	Deletions	Invoked		Outstanding Principal, interest etc at the end of the period	Rate Guarantee Fee/ Commission	Guarantee Fee/ Commission		Other conditions & compliance
	Principal	Interest	Total			Dis-charged	Not dis-charged			Receivable	Received	
11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.	22.	23.

Department of Economic Affairs F. No. 7(5)/E-Coord/2004 dated 24.09.2004

Subject: Guidelines on Expenditure Management – Fiscal Prudence and Austerity

In supersession of this Department's O.Ms. dated 1716/1996, 20/8/1998, 5/8/1999, 24/9/2000 and 10/10/2001 on the subject cited above, the following austerity measures shall take effect from October 1, 2004:

- i) All on-going programmes and schemes, both Plan and non-Plan, should be carefully reviewed, scrutinized and evaluated to determine their continued relevance. This exercise should be taken up immediately and completed before the end of this calendar year.
- ii) Deviations of expenditure from the prescribed budgetary ceilings should not be allowed. FAs should personally ensure that unauthorized expenditure above the appropriations is not incurred in any circumstances.
- iii) It should be ensured that all profit-making PSEs declare a minimum dividend on equity of 20% or a minimum dividend pay out of 20% of post max profits, whichever is higher. The minimum dividend pay out in respect of Oil, Petroleum, Chemical and other infrastructure sectors should be 30% of post-tax profits;
- iv) All profit making companies must also consider issuing bonus shares to the Government;
- v) All profit making Joint Venture companies should be asked to make concerted efforts to give a dividend of 20% on Government equity holding;
- vi) Other non-tax receipts should be revised so that at least the cost of the services is recovered.
- vii) Budget formulation should lay greater emphasis on explicit recognition of the revenue constraints and a realistic projection of the budgetary allocations required for various Projects/ Schemes and there must be rigid adherence to budgetary ceilings. All procedures laid down for incurring both Plan and Non-Plan expenditure on schemes should be followed scrupulously. In view of the severe constraints on resources, additional funds to any Ministry or Department shall not be provided at the revised estimate stage, except in rare and exceptional circumstances
- viii) No fresh financial commitments should be made on items which are not provided for in the budget approved by Parliament.
- ix) There have been cases of Ministries releasing funds to autonomous bodies year after year, despite the fact that there are substantial balances with them remaining unutilised and kept in deposit with the banks. The Ministries should complete a detailed review of all such cases by 31.10.2004 and, pending such a review, the Ministries are advised not to release funds in such cases. The responsibility for regulating release of funds in these cases will rest with the Financial Advisers (FAs).
- x) Most autonomous bodies are given 100% deficit grants. These shall be reduced in a graded manner by 5% in successive years, i.e. to 95% in the first year, 90% in the second year and so on, in respect of such bodies which have the potential of raising resources.
- xi) Timely repayment of loans provided by the Government to the PSUs and payment of fees/ charges on Government Guarantees should also be monitored by the FAs.
- xii) There shall be a mandatory 10% cut in the budgetary allocation for non-plan, non-salary expenditure, including OTA/ honorarium. No re-appropriation of funds to augment these heads of expenditure would be allowed. Austerity must be reflected in furnishing of offices/ offices at residences. The expenditure limit prescribed for these purposes shall be strictly enforced.
- xiii) Utmost economy should be exercised in use of staff cars and other official vehicles. In accordance with the ceiling prescribed at Sl. No. (xii), there shall be a 10% cut in the consumption and allocation of funds for expenditure on POL and travel.
- xiv) Foreign travel should be restricted to unavoidable official engagements. There shall be a ban on foreign travel for Study Tours, Seminars, Workshops etc. funded by the Govt. of India except for annual and other formal meetings of bilateral/ multilateral bodies viz. IMF, World Bank, WHO, ILO, Joint Commissions, etc. Size of official delegations, where foreign travel is unavoidable, shall be restricted to the bare minimum.
- xv) The rate of per diem allowance for travel abroad to all countries and for all categories, officials/ non-officials belonging to Government, autonomous institutions and PSUs shall continue to be depressed by 25% as at present.
- xvi) Utmost austerity will be observed in organizing conferences/ seminars/ workshops. All grants being given for such purposes would be reviewed by Department of Expenditure.
- xvii) Ban on creation of Plan and Non-Plan posts will continue. Any unavoidable proposals for the creation of plan posts including Groups 'B', 'C' and 'D' posts shall continue to be referred to the Ministry of Finance (Department of Expenditure) for approval.

- xviii) Every Ministry/ Department shall undertake a review of all the posts which are lying vacant in the Ministry/ Department and in the Attached and Subordinate Offices, in consultation with the Ministry of Finance (Department of Expenditure). FAs will ensure that the review is completed in a time bound manner (and, in any event, not later than 31.10.2004) and full details of vacant posts in their respective Ministries etc., are available. Till the review is completed, no vacant posts shall be filled up except with the approval of the Ministry of Finance (Department of Expenditure).
- xix) Implementation of existing instructions concerning abolition of posts should be ensured.
- xx) Purchase of new vehicles is banned until further orders. Exceptions will be allowed only for meeting the operational requirements of Defence, Central Para Military Forces, etc. New vehicles shall not be purchased even in replacement of condemned vehicles. Hiring of private vehicles from outside shall be limited to the number of vehicles condemned.

2. Secretaries to the Government of India and Financial Advisers are requested to ensure strict compliance of the above instructions.

Department of Economic Affairs, J.S. (Budget)'s D.O. No. 2(43)-B(CDN)/2004 dated 21.01.2005
To Financial Advisers of all Ministries/ Departments

At present, plan grants and loans to State and Union Territory Governments provided through budget are being released under Major Heads 3601-Grants-in-aid to State Governments, 3602-Grants-in-aid to Union Territory Governments, 7601-Loans and Advances to State Governments and 7602-Loans and Advances to Union Territory Governments. In addition, plan funds are also being released under various Central and Centrally Sponsored Schemes directly by certain Ministries/Departments to the State and district-level autonomous bodies by debiting the functional heads of Account.

2. With a view to considering the utility and feasibility of adding another statement in Expenditure Budget Volume 1 on 'Direct transfers of Central Assistance to States/District level Autonomous Bodies', information on the quantum of such transfers was called from Ministries/Departments. The feedback received shows that such transfers are a significant component of plan expenditure in the concerned demands. Based on the feedback, it has been decided to include such a Statement in the Expenditure Budget Volume 1 for 2005-2006.

3. Accordingly, you are requested to forward a statement as per the enclosed format showing major head-wise plan allocations to be released directly to State and district level autonomous bodies in 2005-2006. The Statement may be forwarded along with the Plan SBEs 2005-2006. A nil statement may also be furnished if there is no material information to provide. It may please be ensured that this statement is invariably sent alongwith the SBEs.

The receipt of this letter may kindly be acknowledged by return fax.

ENCLOSURE

Name of Ministry/ Department			
Direct transfers of Central Assistance to States/ District level Autonomous Bodies*			
			(Rs. Crore)
Sl. No.	Name of Scheme	Major Head	Allocation in BE 2005-2006

* These could be societies/ State PSUs/ corporations owned/ controlled by State Governments.

Department of Economic Affairs F. No. F7(3)-B(D)/2003 dated 26.04.2005

Subject: Preparation of Asset Register, as required under the Fiscal Responsibility and Budget Management Rules, 2004

1. As the Ministries of Agriculture etc. are aware, an Asset Register is required to be maintained in prescribed format under the Fiscal Responsibility and Budget Management Rules, 2004 in order that appropriate disclosure about the position of assets may be made in the Budget 2006-07 onwards. The format of the disclosure statement is enclosed for ready reference. It is requested that necessary action may please be taken to prepare the asset register showing the status as on 31st March, 2005. The following clarifications may please be noted to facilitate this task.

- The Asset Register is required to be prepared only in respect of assets owned by the Central Government. This would by implication exclude the assets belonging, to autonomous bodies and Public Sector Undertakings even

though the assets were created with the financing support provided by the central government by way of grants-in-aid.

- The financing by way of loans and equity investment will, however, be shown as the financial assets of the Central Government for which detailed accounts are being maintained by the concerned Accounts Officers.
- The exercise to prepare the Asset Register is expected to be completed in-house, without hiring any outside professionals because the information is to be compiled based on the book value of the assets that should be available in the accounts and departmental records. No assessment of current market value is required to be done. Similarly, no adjustment need necessarily be done for depreciation of assets.
- The Departmental Estates Officers may provide the information in respect of government lands and buildings under their charge. In respect of such government lands and buildings where the Estates management is not directly being handled by the particular Ministry/ Department, the information to complete the asset register will be centrally collected from the Central Public Works Department. CPWD may send the information to concerned Ministries/ Departments for cross checking and verification before finalisation and intimation to us.
- It would be desirable to have an exhaustive inventory of assets with full reconciliation of physical balances with the financial accounts as early as possible. However, pending full reconciliation, it would be helpful if initially the opening balances, say as on 1st April, 2004 or before as administrative expedient, are taken from financial records and subsequent acquisition/ disposals of assets are fully accounted for both physically and financially.

2. It may be helpful to utilize this exercise as an opportunity to have a proper stock-taking of departmental assets and to keep suitable explanatory remarks on the present state of the economic life of asset, its current usage, potential for better alternative uses, disposal options so that there is improved asset management by drawing attention to optimum utilization, maintenance and accounting of assets.

Form D-4
[See rule 6]
ASSET REGISTER

Cost (Rs. Cr.)

	Assets at the beginning of the reporting year	Assets acquired during the reporting year	Cumulative total of assets at the end of the reporting year
Physical assets: Land Building Office Residential Roads Bridges Irrigation Projects Power projects Other capital projects Machinery & Equipment Office Equipment Vehicles <div style="text-align: right;">Total</div>			
Financial assets: Equity Investment Shares Bonus shares Loans and advances Loans to State & UT Govts. Loans to foreign Govts. Loans to companies Loans to others Other financial investments <div style="text-align: right;">Total</div>			

Notes:

1. Assets above the threshold value of Rupees two lakh only to be recorded.
2. This disclosure statement does not include assets of Cabinet Secretariat, Central Police Organisations, Ministry of Defence, Departments of Space and Atomic Energy.
3. Reporting year refers to the second year preceding the year for which the annual financial statement and demands for grants are presented.

Department of Expenditure OM No. 50(6)/PF-I/2005 dated 13.05.2005
(Circulated vide DOT No.7-5/2005-Fin dated 09.06.2005)

Subject: PIB/ EFC Guidelines incorporating clear identification of Outcomes at the stage of approval, to be made applicable to New State Plan Schemes

The undersigned is directed to refer to Prime Minister's letter dated 17th March 2005 addressed to the Finance Minister recalling the Budget Speech for the year 2005-06:

"I must caution that outlays do not necessarily mean outcomes. The people of the country are concerned with outcomes. The Prime Minister has repeatedly emphasized the need to improve the quality of implementation and enhance the efficiency and accountability of the delivery mechanism. During the course of the year, together with the Planning Commission, we shall put in place a mechanism to measure the development outcomes of all major programmes."

2. In his letter, Prime Minister has stated that for achieving our common objective to rove the quality of implementation of development programmes, it is necessary to examine the programmes/schemes being implemented and convert their financial outlays in physical outcomes with quarterly targets in respect of each.

3. In this regard, Finance Minister has desired that the existing PIB/ EFC guidelines. incorporating clear identification of outcomes at the stage of approval, be made applicable to all New State Plan Schemes and existing State Plan schemes be revised to incorporate outcomes. A copy of the extant guidelines on PIB/ EFC is enclosed.

4. The concerned Ministries are requested to formulate and seek approval for New State Plan Schemes, as per the new procedure and undertake review of existing schemes with focus on developmental outcomes in a time bound manner.

Enclosures

(Note: Printed in the following box.)

Department of Expenditure No. 1(2)-PF/II/03 dated 07.05.2003

Subject: Guidelines for Formulation, Appraisal and Approval of Government funded Plan Schemes/ Projects

In pursuance of the need felt by the Government to reform investment approval and implementation procedures, the Government had set up a Committee in September, 2001 to examine the existing procedures and suggest measures to simplify and expedite the process. The Committee divided its task in two parts, Part-I concentrating on issues that arise from the conceptualization of the project to the stage of investment approval, and Part-II covering all implementation and operational issues starting from the stage of investment approval till the commissioning of the project. The report covering Part-I has since been received and examined by the Government. The Committee has emphasized the need for increased rigor and capacity building at the project formulation and appraisal stage.

2. Rigorous project formulation and appraisal have a major bearing on the relevance and impact of projects as well as on their timely implementation. The Committee has identified indifferent quality of project formulation and appraisal as major factors which contribute to bottlenecks at the implementation stage and consequential time and cost over-runs. Failure to identify constraints in the availability of land, inadequate environmental impact analysis and lack of consultation with stakeholders at the time of project formulation can retard the implementation and impact of the project at a later stage. Additional time and effort spent at the project formulation and appraisal stage would be time well-spent and result to qualitative improvement in terms of ultimate project impact.

3. After having considered the matter carefully, the following guidelines are laid down for formulation and appraisal of Government funded plan Schemes/ Projects, covering all sectors and Departments:

(i) Project identification: Feasibility report: The project preparation should commence with the preparation of a Feasibility Report (FR) by the Administrative Ministry. The project will be considered for 'in-principle' approval by the Planning Commission for inclusion in the Plan based on the FR. The FR should focus on analysis of the existing situation, nature and magnitude of the problems to be addressed, need and justification for the project in the context of national priorities, alternative strategies, initial environmental and social impact analysis, preliminary site investigations, stake holder commitment and risk factors. The FR should establish whether the project is conceptually sound and feasible and enable a decision to be taken regarding inclusion in the Plan and preparation of a DPR. The FR should present a rough estimate of the project cost. Consultation with stakeholders should be held to ensure involvement of stakeholders in the project concept and design. The Financial Adviser should be involved in this exercise.

(ii) In- principle approval of Planning Commission: The Administrative Ministry should send the FR to the Planning Commission for 'in-principle' approval, to enable the Project/ Scheme to be included in the Plan of the Ministry/ Department.

(iii) Preparation of DPR: The Administrative Ministry should prepare the DPR for the project/scheme after obtaining 'in-principle' approval of the Planning Commission. The various stakeholders in the project should continue to be associated while preparing the DPR. The services of Experts/ Professional bodies may be hired for preparation of the DPR, if considered necessary. The Financial Adviser should also be associated. The DPR must address all issues related to the justification, financing and implementation of the Project/ Scheme. A generic structure of the DPR is at Annexure I. The Terms of Reference (TOR) for preparation of the DPR should cover all aspects of the generic DPR structure. In addition, Sector/ Project specific aspects should be incorporated in the TOR as required. The requirements of the EFC/PIB format may also be kept in view.

(iv) Inter-Ministerial consultations: The final DPR should be circulated along with draft EFC/ PIB Memo to the Department of Expenditure, Planning Commission and any other concerned Ministries for seeking comments before official level appraisal. Techno-economic clearance should also be obtained from agencies like CEA and CWC wherever required. Thereafter, the EFC/ PIB memo along with appraisal note/comments of the relevant Ministries and Planning Commission should be placed before EFC/ PIB for consideration.

(v) Time frame: The time frame for the appraisal of projects under the project cycle is at Annexure-II. A time period of 16 weeks is prescribed for appraisal of projects (excluding the time taken for preparation of DPR). Earlier instructions contained in OM No. 1(2)/PF.II/94, dated 18.04.1994 stand modified accordingly.

(vi) Applicability: These guidelines will apply to ALL plan Schemes/ Projects, including social sector Schemes/ Projects, costing Rs. 50 crores and above over a 5 year Plan period. In sectors where a number of sub-projects are taken up under a scheme, this limit will apply to the umbrella project under which the sub-projects are included. In respect of Plan schemes and projects which continue from one Plan period to another, the requirement for preparation of FR/ DPR and observing EFC/ PIB procedures will be regulated by instructions contained in OM No.1(3)/PF.II/2001 dated 10th May, 2002 and 10th July, 2002 (Annexure III & IV).

(vii) Instructions regarding expenditure on pre-investment activities are contained in para 4 of OM No. 1(3)/ PF.II/ 2001 dated 18th Feb., 2002 (*Annexure-V*). It may be noted that expenditure on preparation of FR/ DPR for social sector projects/schemes is likely to be much lower than for commercially viable projects in the infrastructure sectors.

(viii) Guidelines regarding preparation of FR/ DPR in paras 3(i)-3(iii) will also apply to Railway projects which are required to be placed before the Expanded Board for Railways.

4. Delegation of powers for project appraisal and approval: The delegation of powers for project appraisal and approval as well as for revised cost estimates has been prescribed vide this Department's O.M. dated 18.2.2002 (*Annexure-V*). The level of delegation will be reviewed at the end of each Five Year Plan period, or, earlier if required.

5. Identical process for public sector projects requiring budgetary support or entailing contingent liability on Government: The process for seeking approval would be identical both for new public sector projects requiring budgetary support as well as those entailing contingent liability on Government.

6. Evaluation: Evaluation arrangements for the project, whether concurrent, mid-term and/ or post-project, should be spelt out in the DPR. It may be noted that continuation of projects/schemes from one Plan period to another will not be permissible without an independent, in depth evaluation. Evaluation work may be outsourced to reputed institutions, if required. It may be noted that Planning Commission and Ministry of Statistics and Programme Implementation have an ongoing programme for evaluation. Duplication with these evaluations may be avoided.

7. Capacity Building: DOP&T is being separately requested to provide a special thrust on building skills for project formulation and appraisal under ongoing efforts for human resource development. These efforts should be dovetailed with efforts of administrative Ministries.

8. Time and cost overrun: An accountability mechanism is laid down in the Planning Commission's D.O. No. O-14015/ 2/ 98- PAMD dated August 19, 1998 addressed to Secretaries of all Departments/ Ministries in respect of time and cost overrun (*Annexure VI*). This mechanism should be enforced strictly.

9. These guidelines will not supercede any specific dispensation approved for a Ministry/ Department by the Cabinet/ CCEA.

10. These guidelines shall come into force from July 1, 2003. No projects/ Schemes to which these guidelines apply shall be considered for appraisal/ approval without FR/ DPR with effect from July 1, 2003.

11. These guidelines issue with the approval of Finance Minister.

ANNEXURE-I

Generic Structure of The DPR

- (i) Context/ background: This section should provide a brief description of the sector/sub-sector, the national priority, strategy and policy framework as well as a brief description of the existing situation.
- (ii) Problems to be addressed: This section should elaborate the problems to be addressed through the Project/ Scheme at the local/ regional/ national level, as the case may be. Evidence regarding the nature and magnitude of the problems should be presented, supported by baseline data/ surveys/ reports. Clear evidence should be available regarding the nature and magnitude of the problems to be addressed.
- (iii) Project Objectives: This section should indicate the Development Objectives proposed to be achieved, ranked in order of importance. The deliverables/ outputs for each Development Objective should be spelt out clearly. This section should also provide a general description of the project.
- (iv) Target beneficiaries: There should be clear identification of target beneficiaries. Stakeholder analysis should be undertaken, including consultation with stakeholders at the time of project formulation. Options regarding cost sharing and beneficiary participation should be explored and incorporated in the project. Impact of the project on weaker sections of society, positive or negative, should be assessed and remedial steps suggested in case of adverse impact.
- (v) Project strategy: This section should present an analysis of alternative strategies available to achieve the Development Objectives. Reasons for selecting the proposed strategy should be brought out. Involvement of NGOs should be considered. Basis for prioritization of locations should be indicated (where relevant). Options and opportunity for leveraging government funds through public-private partnership must be given priority and explored in depth.
- (vi) Legal Framework: This section should present the legal framework within which the project will be implemented and strengths and weakness of the legal framework in so far as it impacts on achievement of project objectives.
- (vii) Environmental impact assessment: Environmental impact assessment should be undertaken, wherever required and measures identified to mitigate adverse impact, if any. Issues relating to land acquisition, diversion of forest land, rehabilitation and resettlement should be addressed in this section.
- (viii) Ongoing initiatives: This section should provide a description of ongoing initiatives and the manner in which duplication will be avoided and synergy created through the proposed project.
- (ix) Technology issues: This section should elaborate on technology choices, if any, evaluation of options, as well as the basis for choice of technology for the proposed project.
- (x) Management arrangements: Responsibilities of different agencies for project management and implementation should be elaborated. The organization structure at various levels as well as monitoring and coordination arrangements should be spelt out.
- (xi) Means of Finance and Project Budget: This section should focus on means of finance, evaluation of options, project budget, cost estimates and phasing of expenditure. Options for cost sharing and cost recovery (user charges) should be considered and built into the total project cost. Infrastructure projects may be assessed on the basis of the cost of debt finance and the tenor of debt. Options for raising funds through private sector participation should also be considered and built into the project cost.
- (xii) Time frame: This section should indicate the proposed 'Zero' date for commencement and also provide a PERT/ CPM chart, wherever relevant.
- (xiii) Risk analysis: This section should focus on identification and assessment of project risks and how these are proposed to be mitigated. Risk analysis could include legal/ contractual risks, environmental risks, revenue risks, project management risks, regulatory risks, etc.
- (xiv) Evaluation: This section should focus on lessons learnt from evaluation of similar projects implemented in the past. Evaluation arrangements for the project whether concurrent, mid-term or post-project should be spelt out. It may be noted that continuation of projects/schemes from one Plan period to another will not be permissible without an independent, in-depth evaluation being undertaken.
- (xv) Success criteria: Success criteria to assess whether the Development Objectives have been achieved should be spelt out in measurable terms. Base-line data should be available against which success of the project will be assessed at the end of the project (Impact assessment). In this regard, it is essential that base-line surveys be undertaken in case of large, beneficiary-oriented projects.
- Success criteria for each Deliverable/ Output of the project should also be specified in measurable terms to assess achievement against proximate goals.
- (xvi) Financial and economic analysis: Financial and economic analysis of the project may be undertaken where the

financial returns are quantifiable. This analysis would generally be required for investment and infrastructure projects, but may not always be feasible for social sector projects where the benefits cannot be easily quantified.

(xvii) Sustainability: Issues relating to sustainability, including stakeholder commitment, operation and maintenance of assets after project completion, and other related issues should be addressed in this section.

Note: Requirements of the EFC/ PIB format may also be kept in view while preparing the DPR.

ANNEXURE-II

**TIME FRAME FOR
APPRAISAL AND APPROVAL OF PROJECTS/ SCHEMES**

The project cycle would commence with the submission of the Feasibility Report (FR) to the Planning Commission by the Administrative Ministry/ Department.

(i)	Decision on "in principle" approval based on FR	4 weeks
(ii)	Preparation of DPR by Administrative Ministry/ Deptt. and circulating the same along with draft EFC/ PIB Memo.	The time limit will vary from project to project. The time limit for preparation of the DPR should be stipulated by the competent authority while according approval for preparation of the DPR.
(iii)	Comments to be offered on DPR and draft EFC/ PIB memo by Planning Commission and concerned Ministries/ Agencies.	6 weeks
(iv)	Preparation of final EFC/ PIB Memo based on DPR and comments received, and circulating the same to Planning Commission, Department of Expenditure and other concerned Ministries/Agencies.	1 week
(v)	Convening EFC/ PIB meeting after receiving final EFC/ PIB Memo	4 weeks
(vi)	Issue of minutes of EFC/ PIB	1 week
(vii)	Submission for Approval of Administrative Minister and Finance Minister (for projects of Rs. 50 crores and above but less than Rs. 100 crores)	2 weeks
(vii)	Submission for Approval of Cabinet/CCEA (for projects of Rs. 100 crores and above)	4 weeks

Note: Wherever the recommended timeframe is not adhered to any stage, the concerned organization should work out an appropriate trigger mechanism to take the matter to the next higher level for timely decision making.

ANNEXURE-III

Department of Expenditure No. 1(3)/PF.II/2001 dated 10.05.2002

Subject: Expenditure Finance Committee – Fresh appraisal by SFC/EFC for continuation of on-going Schemes from 9th Plan to 10th Plan

The undersigned is directed to refer to this Department's Office Memorandum No. 1(4)-PF-II/97 dated 15.5.1998 on the above subject.

2. The Planning Commission has completed a Zero Based Budgeting exercise for all the Plan schemes of various Ministries. The Core Committee constituted by the Planning Commission for this purpose has recommended merger, modification or weeding out of various schemes, as well as transfer of certain schemes to the State Governments. Based on these recommendations, the Planning Commission has also conveyed its decision regarding these schemes.

3. Accordingly, for continuation of the schemes from 9th Plan to 10th Plan, the schemes falling under the following categories will require appraisal and approval in terms of O.M. No.1(3)/PF.II/2001 dated 18.2.2002 of Department of Expenditure:

- (i) The schemes requiring modification as suggested by the Planning Commission or as proposed by the administrative Department.
- (ii) Merger of schemes with modifications in basic parameters of the constituent schemes.

4. For schemes not falling under the above categories, fresh consideration by the EFC would not be required for continuation of the schemes from 9th Plan to 10th Plan provided all the following conditions are fulfilled:

- (a) No major change in the content or parameters of the scheme is proposed.
- (b) No change in the pattern of assistance to the States, in the case of a Centrally Sponsored Scheme, is envisaged.
- (c) The projected requirement of funds for implementing the scheme over the Plan period is within the outlay approved by the Planning Commission.
- (d) The Planning Commission has not proposed modification/weeding out of the Scheme.

ANNEXURE-IV**Department of Expenditure No. 1(3)/PF.II/2001 dated 10.07.2002**

Subject: **Expenditure Finance Committee - Fresh Appraisal by SFC/ EFC for continuation of on-going Schemes from 9th Plan to 10th Plan**

The undersigned is directed to refer to this Department's O.M. of even number dated 10.05.2002 on the above subject.

2. As per para 4 of the above O.M., fresh consideration by the EFC is not required for continuation of the schemes from 9th Plan to 10th Plan provided all the conditions mentioned in the above para are fulfilled. In such cases, the Administrative Ministry/ Department have been delegated the powers to approve the continuance of the scheme in consultation with the Financial Adviser. However, instances have come to notice where the subject matter Divisions within a Ministry have continued the schemes without such approvals and without any scrutiny within the Ministry. This is contrary to the spirit of delegation of powers for continuing the schemes.

3. Under the circumstances, the Administrative Ministries/ Departments are requested to ensure that before approving the continuation of the schemes in the 10th Plan as per para 4 of the above-mentioned O.M., the schemes are subjected to rigorous scrutiny within the Ministry, inter-alia, with regard to the following:

- (i) Evaluation of the performance in the 9th Plan.
- (ii) Need for improvements.
- (iii) Phasing of expenditure in the 10th Plan for each component of the scheme.
- (iv) Setting of physical and financial milestones targets for the 10th Plan for each component of the scheme.

4. The Financial Adviser of the concerned Ministry shall invariably be involved with such scrutiny. They would ensure that the schemes are scrutinized as above before approving the same for continuation in the 10m Plan. While the Administrative Ministry is free to evolve an appropriate format for such scrutiny, it may be advisable to use the existing EFC format for this purpose.

ANNEXURE-V**Department of Expenditure No. 1(3)/PF.II/2001 dated 18.02.2002**

Subject: **Public Investment/ Expenditure - Guidelines for Appraisal and Approval**

A need has been felt to prioritize the projects/ schemes and take-up only such projects/schemes, which are financially and economically viable and have higher returns. There is also a need to avoid thin spreading of resources and multiplicity of schemes with similar objectives. Therefore, it is necessary to strengthen decision making process for investments. At the same time, the process should be simple and quick so that the challenges of the competitive economic environment can be met effectively. These considerations will require optimum level of delegation in the system for appraisal and approval of the proposals. Accordingly, the following guidelines/financial limits for appraisal and approval of public investments/ expenditure are being prescribed:

2. Appraisal of Plan Schemes/ Projects:

	Financial limits of Plan Scheme/ Project	Appraisal Forum
a)	Upto Rs. 5.00 crores	Ministry/ Department concerned, in normal course.
b)	Above Rs. 5.00 crores but less than Rs. 25 crores	Standing Finance Committee of the Department concerned under the Chairmanship of Secretary with Financial Adviser and Joint Secretary/ Director of the concerned Division as members with provision for inviting representatives of the Planning Commission, D/o Expenditure and any other Department that Secretary or Financial Adviser may suggest.
c)	Rs. 25.00 crores and above but less than Rs.100 crores	Departmental Expenditure Finance Committee (EEC). Departmental EFC will be chaired by Secretary of the Administrative Department. It will include the Financial Adviser, as the Member Secretary, and the representatives of Planning Commission and D/o Expenditure as members.

d)	Rs.100 crores and above but less than Rs. 200 crores	Main Expenditure Finance Committee (EFC). Main EFC will consist of Secretary (Expenditure) who will chair the meeting, Secretary (Planning Commission) and Secretary of the Administrative Department. FA will be the Secretary of this EFC.
e)	Rs. 200 crores and beyond	Public Investment Board (PIB)/ Main EFC chaired by Secretary (Expenditure). Projects/ Schemes where financial returns are quantifiable will be considered by PIB, others by the EFC.

(i) It is clarified that SFC/ EFC/ PIB will be the appraisal forum for any scheme/project. Their recommendations will require approval of competent authority as indicated in para 3 below.

(ii) In respect, of Scientific Ministries/ Departments, the appraisal forum (EFC) will continue to be chaired by the concerned Administrative Secretary irrespective of the outlay.

(iii) Navratna and Miniratna PSUs have enhanced powers for taking investment decisions as per guidelines issued by the Department of Public Enterprises. This delegation will be continued.

(iv) For Schemes/ projects involving setting up of new Autonomous Organizations, EFC will be chaired by Secretary (Expenditure) irrespective of their outlays or nature of the Ministry/ Department.

(v) Specific approval of Department of Expenditure for creation of new posts in relaxation of standing economy orders will be necessary irrespective of the recommendations of EFC/PIR.

(vi) At present all projects being posed to PIB are considered in the pre-PM meeting. Pre-PIB process in respect of projects with outlay upto Rs.500 crores has been dispensed with and the proposals be considered by NB directly.

3. Authority for approval

(a) Original Cost Estimates

Project/ Scheme outlay	Approval Authority
Less than Rs. 50 crores	Minister in-charge of Administrative Ministry
Rs. 50 crores and above but less than Rs.100 crores	Minister of Administrative Ministry and the Finance Minister
Rs. 100 crores and above	Cabinet/ CCEA
Proposals for new autonomous organizations irrespective of outlay	Cabinet/ CCEA

(b) Revised Cost Estimates:

(b)(1) RCE cases less than Rs.100 crores:

(i) RCE cases with outlay of less than Rs.100 crores arising due to change in statutory levies, exchange rate variations and price escalation within the approved project time cycle and the cases involving further cost increase upto 20% can be approved by the authority as per para 3(a) above in consultation with the Planning Commission.

(ii) RCE cases involving increase of more than 20% after excluding the increase due change in statutory levies, exchange rate variations and price escalation within the approved project time cycle will require appraisal at the forum as per para 2 above and approval as per para 3(a) above.

(b) (2) RCE cases of Rs.100 crores and above:

(i) Revised Cost Estimate (RCE) which arises entirely due to change in statutory levies, exchange rate variations and price escalation within the originally approved project time cycle will be approved by the administrative Ministry/ Department concerned in consultation with the Planning Commission.

(ii) The First RCE, which is upto 10% of the originally approved cost estimates (after excluding the increase within the originally approved project time cycle due to three factors mentioned in (i) above) will be approved by the Administrative Ministry in consultation with the Planning Commission.

(iii) First RCE, which exceeds 10% but are upto 20% of the originally approved cost estimates (after excluding increase within originally approved project time cycle due to three factors mentioned in (i) above) shall be appraised. by the Planning Commission and will be approved by the Administrative Minister and the Finance Minister.

(iv) First RCE which exceeds 20% of the originally approved cost estimates (after excluding increase within originally

approved project time cycle due to three factors mentioned in (i) above) due to reasons such as time overrun, change in scope, underestimation, etc. shall be posed to EFC/PIB for appraisal and thereafter to CCEA for approval.

(v) Second or subsequent RCE less than 5 % of the latest approved cost (First or previous RCE) (after excluding increase due to changes in statutory levies, exchange rate variation and price escalation within the existing approved project time cycle) will be appraised by the Planning Commission and decided with the approval of the Administrative Minister.

(vi) Second or subsequent RCE involving increase of 5% or more of the latest approved cost (first or previous RCE) (after excluding increase due to changes in statutory levies, exchange rate variation and price escalation within the approved project time cycle) will require appraisal by EFC/ PIB and approval of the CCEA.

(b)(3): Criterion for appraisal forum and level of authority for approval of RCE will be cost overrun and not time overrun.

(b)(4): The existing procedure prescribes that RCE cases should be decided by the same authority, which had approved the original proposal notwithstanding any subsequent delegation of powers. This applies to RCE cases of the Ministries as well as Navratna and Miniratna CPSUs also even though they have powers, subject to certain conditions, to decide new investments. It is now decided that powers for deciding RCE cases are delegated to the authorities as per powers for fresh approvals.

(b)(5): Where the revised/ firm up cost estimates of Scheme/ Project exceeds the limit of competent authority who approved the original cost of the scheme, the approval of higher competent authority will be obtained.

(b)(6): While processing the RCE cases the contents of Planning Commission's D.O. No. O-14015/2198-PAMD dated 19.8.1998 regarding consideration of cost & time overruns and fixation of responsibility by the Standing Committee may be kept in mind.

4. Expenditure on pre-investment activities etc.

(a) The delegation of powers for sanctioning pre-investment activity like preparation of Detailed Feasibility/ Project Reports will be as follows:

Expenditure/ Financial limit	Appraisal/ Approval authority
Upto Rs.2.00 crores for preparation of DFR and pre-investment activities (including detailed study for preparation of Feasibility Report but excluding land acquisition/ infrastructure facilities) subject to availability of budget/ plan funds.	Secretary, Ministry/ Department concerned.
Proposals of PSU up to Rs 10 crores for preparation of DFR and pre-investment activities excluding land acquisition/ infrastructure facilities, if not funded from Budget and PSU is profit making.	Ministry/ Department concerned.
All other cases	Appraisal by Committee of PIB (CPIB), and approval by the authority as per para 3(a) above.

(b) For projects of Ministries of Coal and Road Transport & Highways expenditure on pre-investment beyond Rs.20 crores only will require consideration by Committee of PIB.

(c) The delegation of powers to Ministry of Power to sanction estimates for preconstruction works and for development of infrastructure facilities in respect of Hydro-electric Project will be governed by the Ministry of Power letter No.16/31/2000-DO (NHPC) dated 8.6.2001.

5. Costing of the Project/ Scheme:

(a) The cost of the proposal will be inclusive of all components under which expenditure is required to be incurred (like revenue, capital and loans etc.). At present, the costing of the project is done at constant prices. It has now been decided to make it obligatory for the Department to compute the project cost both on constant prices and completion cost basis so that IRR/ERR can be calculated for both scenarios.

(b) The completion cost may be worked out by taking into account the average rate of inflation in the following manner:

- (i) Labour component of the project cost may be updated using the average (of 12 months) of consumer price index for industrial workers.
- (ii) For all other components of cost, except labour, the average (of 12 months) of wholesale price index for all commodities may be used.

6. The delegation of financial powers contained in this OM will be exercised only where necessary/requisite funds are available in the Annual Plan and the Five Year Plan outlay as per phasing of the project/scheme. The powers will further continue to be governed by procedural and other instructions issued by Government from time to time like general economy instructions etc. This order supersedes this Department's OM No. I(5)-PF.11/96 dated 6.8.1997. This order will not supersede any specific relaxation granted to a Ministry/Department by the Cabinet/ CCEA.

This order will be effective from the date of issue. This has the approval of the Finance Minister.

ANNEXURE-V (contd.)

Department of Expenditure No. 1(3)/PF.II/2001 dated 13.05.2002

Subject: Public Investment/ Expenditure-Guidelines for Appraisal and Approval

The undersigned is directed to refer to O.M. of even number dated 18.02.2002 on the above subject. The following further clarifications are issued.

2. References are being received seeking clarification on the authority to approve Plan investment upto Rs.5 crores in view of the position indicated at paras 2 and 3 of the O.M. referred to above. It is clarified that the guidelines issued vide above referred O.M. do not envisage change in the approval authority in respect of projects/schemes with cost limit which was earlier upto Rs.1.5 crore (prior to issue of the guidelines) and which has been now enhanced to Rs.5 crore. The schemes costing upto Rs.5 crore can, therefore, be approved by the Secretary of the Ministry/Department in the normal course subject to fulfillment of the conditions listed in para 6 of this Department's O.M. dated 18.02.2002.

3. Further, in para 6 of the above said O.M., it has been mentioned that "This Order supersedes this Department's O.M. No. I (5)-PF.II/96 dated 6.8.1997." The above line is modified and substituted to read "This Order supersedes the corresponding provisions made in this Department's O.M. No.1(5)-PF.II/96 dated 6.8.1997 only to the extent that some of those provisions are modified by this order." It is clarified that the position with regard to the other issues mentioned in the O.M. dated 6.8.1997 and not covered under O.M. dated 18.2.2002 remain unchanged.

4. Para 3(b)(4) has a sentence which states that "It is now decided that powers for deciding RCE cases are delegated to the authorities as per powers for fresh approvals." This sentence is modified to read as "It is now decided that powers for deciding RCE cases are delegated to the authorities as per the provisions in para 3(b)(1) and 3(b)(2) above."

ANNEXURE-V (contd.)

Department of Expenditure No. 1(3)/PF.II/2001 dated 08.10.2002

Subject: Public Investment/Expenditure-Guidelines for Appraisal and Approval - RCE cases of Navratna/Miniratna Cos.

References are being received seeking clarification on the authority for approval of RCE cases of Navratna/Miniratna companies with reference to para 3(b) (4) of this Department's O.M of even number dated 18.02.2002 and para 4 of O.M dated 13.05.2002. The position is clarified as under:

As per the extant orders, the powers for deciding RCE cases are delegated to the authorities as per the provisions in para 3(b)(1) and 3(b)(2) of this Department's OM dated 18.2.2002. The Navratna and Miniratna PSUs have been delegated specific enhanced powers for taking investment decisions as per guidelines issued by the Department of Public Enterprises. It is clarified that the powers for deciding RCE cases of Navratna and Miniratna PSEs are delegated to their Board of Directors in the same manner as powers for fresh approvals. However, it is applicable only in respect of their own projects. The RCE cases of JVs where the powers for approval do not vest with the Board of Directors of Navratna/Miniratna Cos. will continue to be approved by the competent authority/ Government by following the procedure laid down in this regard.

ANNEXURE-VI

Planning Commission's D.O. No. O-14015/2/98-PAMD dated 19.08.1998

Addressed to Secretaries of all Departments/ Ministries

The Cabinet Committee on Economic Affairs at its meeting held on 25.6.98, inter alia, decided as under:

"In every case where the project cost over-run is over 20% and is accompanied by time over-run of over 10%, or such other time and cost overrun norms as may be deemed appropriate by the Planning Commission for different types of projects, the revised cost estimates should be brought up for approval of the Cabinet Committee on Economic Affairs only after responsibility is fixed for the cost and time over-runs. The Committee directed further that the Planning Commission should devise an appropriate mechanism for fixing the responsibility".

2. In pursuance of the above decision, the Planning Commission has devised the following mechanism for fixing the responsibility:

- (a) Set up a Standing Committee in each Ministry/ Department to be headed by Additional Secretary or Joint Secretary and with representatives from Planning Commission, Department of Expenditure and Department of Programme Implementation as members. The Administrative Ministry/ Department would act as Secretariat and would be responsible for providing documents/ information as may be required by the Committee.
- (b) The report of the Standing Committee would be signed by all the members of the Committee and appended to the PIB/ EFC memoranda in case of PIB/ EFC cases and in other cases the report in respect of projects of Rs. 200 crores and above would be submitted by the concerned Ministry to the Committee headed by Finance Secretary. Recommendations made by the Committee and action taken thereon by the concerned Ministry/Department would be placed before the CCEA. In the case of non PIB/ EFC cases costing less than Rs. 200 crores, the recommendations made by the Standing Committee and action taken thereon would be submitted by the Ministry/ Department directly to the CCEA.
- (c) The background note circulated for the Standing Committee should, inter alia, include (i) brief but comprehensive and self explanatory note on the reasons for cost and time over-run, (ii) a detailed chronology of events, starting from the date of approval, and (iii) the duly filled in check list (copy enclosed).

3 The above mechanism for fixation of responsibility would be applicable to all cases being posed to the CCEA.

4. In cases where Administrative Ministries/ Departments are competent to sanction increase in project cost within the delegated powers, it would be for them to fix the responsibility for cost and time over-runs.

5. I, therefore, request you to set up a Standing Committee as mentioned above and ensure that the cases which require fixing the responsibility are brought before it without any delay.

This issues with the approval of Deputy Chairman, Planning Commission.

Checklist for Determining the Responsibility for Time and Cost Over-Runs

A – ADMINISTRATIVE AND PROCEDURAL DELAYS

Failures	Agency/ person responsible
*Sanction letter <ul style="list-style-type: none"> • Delayed issue • Not defining PTC, cost, accountability etc. • Others (Specify) 	
*Processing of RCE: <ul style="list-style-type: none"> • Delay in submission • Delay in Pre-PIB meeting • Delay in circulation • Delay in appraisal • Delay in PIB/EFC MEETING • Others (Specify) 	

B – LAND ACQUISITION

Failures	Agency/ person responsible
*Assessment of requirement/suitability <ul style="list-style-type: none"> • Not assessed • Area of land not indicated • Site/ location not surveyed • Inspection/ soil testing not done • Inspection /testing not professional • Others (Specify) 	
*Acquisition process : <ul style="list-style-type: none"> • Advance action not taken • Action taken but no possession • Possession not on time 	

<ul style="list-style-type: none"> • Possessed but with encroachment • Forest land clearance not obtained • Rehabilitation of displaced not done • Others (Specify) 	
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C. FUND CONSTRAINTS

Failures	Agency/ person responsible
*General <ul style="list-style-type: none"> • Requirement not properly assessed • Sanctioned without adequate funds • Late request for release • Delayed release of funds • Additional projects taken up affecting fund availability for this project • Others (specify) 	
*Foreign loan/ grant <ul style="list-style-type: none"> • Not tied up on time • Tied up but delay at DEA • Alternative funding not identified • Others (Specify) 	
* Internal Resources <ul style="list-style-type: none"> • Inadequately assessed • New projects taken up affecting funding of the project • Others (specify) 	
*Domestic borrowing <ul style="list-style-type: none"> • Over-estimation of ability to borrow • Advance action not taken • Others (specify) 	
*Matching resources from States etc. <ul style="list-style-type: none"> • Due consent of contributors not obtained • Funds not released on time • Released but partly • Others (specify) 	

D- TECHNICAL DESIGN PROBLEMS

Failures	Agency/ person responsible
*Faulty Technical Parameters <ul style="list-style-type: none"> • 1st stage clearance required but not obtained • Poor quality of DFR • Short-listing of consultants not done • Alternatives not adequately defined • Lay out Plans/ designs not got approved from Competent authorities • Others (specify) 	
*Change in Scope/ Quantity/ Technology <ul style="list-style-type: none"> • Inadequate of investigations/ surveys • Change in size/scale • Additional foreseeable but not foreseen • Additions not foreseeable (new regulations environmental etc.) • Under-estimation • Wrong Choice of technology • Non-identification of alternative technologies in advance • Not identification of suitable vendors • Others (Specify) 	
* State of preparedness of PSU <ul style="list-style-type: none"> • Project team not appointed on time • Statutory clearances not obtained in a advance • Lay-out Plans/designs not prepared on time • Basic engineering not done on time • Delay in technical clearance • Others (specify) 	

E – TENDERING/ CONTRACTING

Failures	Agency/ person responsible
*Advance action <ul style="list-style-type: none"> • Size/specifications etc. not finalized • Contractors/suppliers not identified • Contract terms not formulated properly • Job packages unprofessionally made • Others (specify) 	
*Time schedule for tendering <ul style="list-style-type: none"> • Not drawn up • Delay: preparation of tender documents • Delay in issuing tender notice • Delay in opening and evaluation of Tenders • Delay in awarding the contract • Others (Specify) 	

F – IMPLEMENTATION PLAN AND MONITORING MECHANISM

Failures	Agency/ person responsible
*Commissioning Schedule : <ul style="list-style-type: none"> • Commissioning schedule not realistic • Sequencing and scheduling of activities not professional • No Bar Chart/ PERT diagram prepared • Others (specify) 	
*Implementation Plan : <ul style="list-style-type: none"> • Key personnel not placed on time • Delay in finalization of modalities for executor • Linkages not properly assessed • Risk/ uncertainties not identified • Others (Specify) 	
*Monitoring Mechanism at Project Level : <ul style="list-style-type: none"> • Nodal Officer (Chief Executive) for the project not designated • Periodical review was not done • Progress reviewed but no corrective Actions taken • Others (specify) 	
*Monitoring Mechanism at Ministry Level : <ul style="list-style-type: none"> • Not set-up • Progress not monitored periodically • Progress reviewed but no action taken • Problems not brought before EC/ QPR • Brought before EC/ QPR but not resolved • Others (specify) 	

Department of Economic Affairs No. F.2(66)-B(CDN)2001 dated 14.09.2005

Subject: Procedure for providing Funds for Development of North Eastern Region and Sikkim under 'Plan' Expenditure in Statement of Budget Estimates and Detailed Demands for Grants

At present, the funds for development of North Eastern Region and Sikkim are being provided for under the Major Heads '2552-North Eastern Region' for revenue expenditure and '4552-Capital Outlay on North Eastern Region' for Capital expenditure under 'Plan' side. These are shown as lumpsum provisions in the Statement of Budget Estimates and Detailed Demands for Grants of the respective Ministry/ Department, initially. Such sums are subsequently reappropriated to the functional heads of accounts for the purpose of incurring the expenditure. Reappropriations from the lumpsum provision from the Major Meads '2552' and '4552' are carried out with the approval of Secretaries of respective Ministry/ Department, who have been delegated powers for this purpose through this Ministry's D.O. No. 2(66)-B(CDN)/2001 dated 12.6.2001.

2. The above procedure has further been reviewed in the light of concerns expressed by few Ministries/ Departments in obtaining the necessary Parliament sanction in time, through Supplementary Grants, during the course of the year, as either the break-up of scheme-wise expenditure provided under '2552-etc' and '4552-etc.' are brought to the notice of Parliament

through Detailed Demands for Grants of certain items of expenditure such as grants-in-aid, subsidy etc. attract the limits of New Service/ New Instrument of Service. This leads to delays in the release of budget sanctions and implementation of programmes and schemes in the North Eastern Region.

3. To mitigate such difficulties, it has been decided to show the proposed break-up of the lumpsum provision for development of North Eastern and Sikkim Region upto object head level corresponding to different functional major/sub-major/minor heads, indicating the details, and depict accordingly in the Detailed Demands for Grants under the Major Head '2552-North Eastern Region' and the Major Head '4552-Capital Outlay on North Eastern Region' for eventual reappropriation. This would facilitate informing Parliament about the nature of expenditure, end-beneficiary, etc. After approval of the budget by Parliament, the expenditure provisions can be transferred to the functional head for incurring expenditure through reappropriation by exercise of powers delegated in this Ministry's D.O. letter No.F.2(66)-B(CDN)/2001 dated 12.6 2001.

4. This procedure becomes operative from the year 2006-07 onwards.

5. This has the approval of Secretary (Expenditure).

Department of Economic Affairs F. No.21(1)-PD/2005 dated 10.01.2006

The undersigned is directed to state that as part of Modified Cash Management System, it has been decided to introduce exchequer control based expenditure management system in respect of 15 Demand for Grants, listed in Annexure-I, with effect from April 1, 2006.

2. The Modified Cash Management System seeks to achieve, inter alia, the following objectives:

- (i) Obtain greater evenness in the budgeted expenditure within the financial year.
- (ii) Reduce rush of expenditure during the last quarter of the financial year.
- (iii) Reduce tendency of parking of funds.
- (iv) Effectively monitor the expenditure pattern.
- (v) Better planning of Indicative Market Borrowing Calendar of the Central Government.

3. Based on the review by a Sub-Group on Cash Management System of the pilot scheme of the cash management introduced in respect of nine Demand for Grants in FY 2003-04, it has been decided that the modified expenditure management system would work in the manner detailed below:

- (i) Financial Adviser would be responsible for the implementation of the modified expenditure management system. He/ she may nominate a nodal officer for the purpose;
- (ii) In respect of each Demand for Grant, Monthly Expenditure Plan (separately for Plan and Non-Plan expenditure) (MFP) would be worked out and included as an annex to the Detailed Demand for Grants in respect of the said Demand for Grant. Suggested format is at Annex-II.
- (iii) MEP would form the basis of Quarterly Expenditure Allocations (QEA). The Department/Ministries concerned may not issue cheques beyond the Quarterly Expenditure Allocation [which would be equal to the sum of provisions under Monthly Expenditure Plan], without prior consent of Ministry of Finance [Cash Management Cell, Budget Division];
- (iv) The exchequer control would apply cumulatively at the Demand for Grants level only, i.e. inter se variations between months within a quarter, between plan and non-plan and between schemes would be permissible, subject to statutory restrictions and extant guidelines,
- (v) Savings, if any, incurred under the Quarterly Expenditure Allocation would not be available for automatic carry forward to the next quarter. The Department/ Ministry may, however, approach Ministry of Finance for revalidation of such savings through modification in the Monthly Expenditure Plan and thereby Quarterly Expenditure Allocation. Spillover in respect of Monthly Expenditure Plan, not inconsistent with Quarterly Expenditure Allocation would not require prior revalidation from Ministry of Finance but may be included in the quarterly modification.
- (vi) Ministry of Finance would consider such requests for revalidation within a Period of 15 days of receipt of such request, failing which the request for revalidation would be deemed to have been granted.
- (vii) The Monthly Expenditure Plan and Quarterly Expenditure Allocations pertaining to the 4th quarter of the financial year would be subsumed in the finalization of Revised Estimate for the financial year.
- (viii) The omnibus guideline regarding restriction of expenditure in the last quarter of the financial year to 33% of the budgeted amount shall not apply to the Demand for Grants wherein modified expenditure management system is being implemented.

4. Receipt of this Office Memorandum may kindly be acknowledged.

Department of Economic Affairs No. F.1(23)-B(AC)/2005 dated 25.05.2006

Subject: Revised Guidelines on Financial Limits to be observed in determining cases relating to 'New Service' 'New

Instrument of Service'

In accordance with the commitment made in the Fiscal Policy Strategy Statement (Budget 2005-06) under the mandate of the Fiscal Responsibility and Budget Management (FRBM) Legislation and in pursuance of the approval of Public Accounts Committee (2005-2006) in the twenty-third report (Fourteenth Lok Sabha) on the proposal for review of Financial Limits to be observed in determining the cases relating to 'NEW SERVICE'/ 'NEW INSTRUMENT OF SERVICE' for reappropriation of funds (Annex), which has the concurrence of the C&AG, the following revised guidelines for re-appropriation of funds are hereby conveyed, in modification of this Ministry's Office Memorandum No. F.7 (15)-B(RA)182 dated 13th April, 1982.

2. Definition of the terms 'New Service'/ 'New Instrument of Service' and its application:

- (i) 'New Service': As appearing in article 115(1)(a) of the Constitution of India, this has been held as referring to expenditure arising out of a new policy decision, not brought to the notice of Parliament earlier, including a new activity or a new form of investment.
- (ii) 'New Instrument of Service': Refers to relatively large expenditure arising out of important expansion of an existing activity.
- (iii) While using those terms and applying the financial limits as indicated in the Annex, it needs to be noted that no expenditure can be incurred from the Consolidated Fund of India on a 'New Service'/ 'New Instrument of Service' without prior approval of Parliament through supplementary demands for grants. Further, the determination of these financial limits will be with reference to Primary Unit of Appropriation.
- (iv) Where in an emergent case of 'New Service'/ 'New Instrument of Service' it is not possible to wait for prior approval of Parliament, the Contingency Fund of India can be drawn upon for meeting the expenditure pending its authorisation by Parliament. Recourse to this arrangement should normally be taken only when Parliament is not in session. Such advances are required to be recouped to the Fund by obtaining a Supplementary Grant in the immediate next session of Parliament. However, when Parliament is in session, a Supplementary Grant should preferably be obtained before incurring any expenditure on a 'New Service'/ 'New Instrument of Service'. That is to say, recourse to Contingency Fund of India should be taken only in cases of extreme urgency; in such cases the following procedure recommended by the Sixth Lok Sabha Committee on Papers Laid on the Table in their 4th Report should be observed:

"As far as possible, before such withdrawal is made, the concerned Minister may make a statement on the floor of the Lok Sabha for information giving details of the amount and the scheme for which the money is needed. In emergent cases, however, where it is not possible to inform the Members in advance, the withdrawal may be made from the Contingency Fund and soon thereafter a statement may be laid on the Table of the Lok Sabha for the information of the Members".

It has been suggested by the Rajya Sabha Secretariat that the above procedure may also be observed in Rajya Sabha.

3. Checks to be observed by the Ministries/ Departments to ensure compliance of the provisions of this Office Memorandum are as under:

- (i) By Integrated Finance Division/ Budget Unit: A specific certificate should be recorded in each case involving augmentation of sanctioned provision on receipt of related proposals, to the effect that the proposed augmentation attracts/ does not attract financial limits of 'New Service'/ 'New Instrument of Service'.
- (ii) By PAOs: Each expenditure sanction to be examined by PAOs from the 'New Service'/ 'New Instrument of Service' angle keeping in view the financial limits indicated in the Annex.
- (iii) Where any doubt arises about the application of financial limits of 'New Service'/ 'New Instrument of Service', the PAO would seek decision from CCA/ FA of appropriate jurisdiction.

4. Circumstances for obtaining Supplementary grants for expenditure qualifying as 'New Service'/ 'New Instrument of Service' and the reporting procedure thereof are as follows:

- (i) If sufficient savings are available within the same section of the relevant grants for meeting additional expenditure to the extent mentioned in column 2 of the annex, re-appropriation can be made, subject to report to Parliament.
- (ii) The Report to Parliament should ordinarily be made through the ensuing batch of Supplementary Demands for Grants, failing which by adding an Annex in the Detailed DFG of the Ministry/ Department for the ensuing year.
- (iii) A suitable write-up of such cases where possible, may also be made in the Notes on Demands for Grants of the Ministry/ Department.
- (iv) More depiction of augmented provisions in the Revised Estimates included in the Demands for Grants will not be adequate to meet the requirement to incur expenditure. In cases where the financial limits of 'New Service'/ 'New Instrument of Service' are attracted, approval of Parliament may be obtained for incurring such expenditure through supplementary demands for grants.
- (v) The provisions in the 'Vote on Account' are not intended to be used for expenditure on any 'New Service'. In cases of urgency, expenditure on a 'New Service' during Vote on Account period can therefore, be incurred only by obtaining an advance from the Contingency Fund in the manner recommended by the 6th Lok Sabha Committee on the Papers Laid on the Table already referred to in para 2(iv) of this OM. Such advances will be resumed to the Contingency Fund on enactment of Appropriation Act in respect of expenditure for the whole year.

5. Exceptions:

(i) Having regard to the volume and nature of Government transactions, it is not possible to list out all such cases which are not attracted by 'New Service'/ 'New Instrument of Service' limits. Broadly, however, expenditure on normal activities of Government (such as normal administrative expenditure – including that resulting from re-organization of Ministries/ Departments, holding of conferences, seminars, exhibitions, surveys, feasibility studies, etc. assistance to foreign Governments, contributions to international bodies and fulfillment of Government guarantee on its invocation) are not attracted by the limits of 'New Service'/ 'New Instrument of Service'.

(ii) Transfers to State and Union Territory Governments are also exempt from these limits provided the scheme is not new.

(iii) Further, these limits are applicable only to expenditure which is subject to Vote of Parliament.

6. Doubtful cases:

In case of disagreement between the Integrated Finance Wing and Pay and Accounts Office, the Ministry/Department may send a self-contained communication to the Budget Division, Ministry of Finance bringing out the specific point of doubt incorporating their Financial Adviser's views thereon. The decision taken by the Budget Division in the matter will be final.

7. Conclusion:

While agreeing to the revision of norms for re-appropriation of funds as annexed, the Public Accounts Committee in its twenty-third report (Fourteenth Lok Sabha) has concluded by stating as under:

"The committee also expects the Financial Advisers of the Ministries/ Departments to ensure that there is no violation in implementation of the said revised norms for re-appropriation of funds and any slackness in complying with the said norms is strictly dealt with".

Hindi version will follow.

ANNEXURE

Financial limits to be observed in determining the cases relating to 'NEW SERVICE'/ 'NEW INSTRUMENT OF SERVICE'		
Nature of transaction	Limits upto which expenditure can be met by reappropriation of savings in a Grant subject to report to Parliament	Limits beyond which prior approval of Parliament is required for expenditure from the Consolidated Fund
1	2	3
1. Capital Expenditure		
A. Departmental Undertakings		
(i) Setting up a new undertaking, or taking up a new activity by an existing undertaking.	All cases
(ii) Additional investment in an existing undertaking	Above Rs.2.50 crore but not exceeding Rs.5 crore	Above Rs.5 crore
B. Public Sector Companies/Corporations		
(i) Setting up of a new Company, or splitting up of an existing company, or amalgamation of two or more companies, or taking up a new activity by an existing company.	All cases
(ii) Additional investment in/loans to an existing company		
(a) Where there is no Budget Provision	Above Rs. 50 lakhs but not exceeding Rs. 1 crore	Above Rs. 1 crore
(b) Where Budget Provision exists or investment and/ or loans Paid up capital of the company		
(i) Up to Rs.50 cr.		
(ii) Above Rs.50 cr.	20% of appropriation already voted or Rs. 10 crore, whichever is less	Above 20% of appropriation already voted or Rs. 10 crore, whichever is less
	20% of appropriation already voted or Rs. 20 crore, whichever is less.	Above 20% of appropriation already voted or Rs. 20 crore, whichever is less.
C. All bodies or authorities within the administrative control/ management of Central Government or substantially financed by the Central Government.		
Loans	Upto 10% of appropriation already voted or Rs. 10 crore, whichever is less	More than 10% of appropriation already voted by Parliament or Rs. 10 crore, whichever is less
Note: Where a lumpsum provision is made for providing 'Loans' under a particular scheme, the details of substantial apportionment (10%		

of lumpsum or Rs. 1 crore, whichever is higher) should be reported to Parliament. In the case of lumpsum provision of loans to States, the state-wise distribution should be reported to Parliament.		
Nature of transaction	Limits upto which expenditure can be met by reappropriation of savings in a Grant subject to report to Parliament	Limits beyond which prior approval of Parliament is required for expenditure from the Consolidated Fund
D. Expenditure of new works (Land, Buildings and/or Machinery)	Above Rs. 50 lakhs but not exceeding Rs. 2.5 crore or not exceeding 10% of the appropriation already voted, whichever is less.	Above Rs. 2.5 crore or above 10% of the appropriation already voted.
2. Revenue Expenditure		
E. Grants-in-aid to any body or authority	All cases
Note: Where a lumpsum provision is made for providing grants-in-aid under a particular scheme, the details of substantial apportionment (10% of lumpsum or Rs. 1 crore, whichever is higher) should be reported to Parliament. In the case of lumpsum provision of grants to States, the state-wise distribution should be reported to Parliament.		
F. Subsidies		
(i) New Cases	All cases
(ii) Enhancement of provision in the existing appropriation	Upto 10% of appropriation already approved by the Parliament or Rs. 10 crore, whichever is less.	More than 10% of appropriation already approved by the Parliament or Rs. 10 crore, whichever is less.
Payment against cess collections	Limits as applicable to grants-in-aid to statutory or public institutions will apply	All cases
New Commissions or Committees of Enquiry	...	Above Rs. 20 lakhs (total expenditure)
G. Write off of Government loans	Above Rs. 50,000 but not exceeding Rs. 1 lakh (individual cases).	Above Rs. 1 lakh (individual cases).
H. Other cases of Government expenditure.	Each case to be considered on merits	
I. Posts Railways Defence	The aforesaid limits, including those relating to works expenditure, will also apply to these Departments subject to considerations of security in the case of Defence.	The aforesaid limits, including those relating to works expenditure, will also apply to these Departments subject to considerations of security in the case of Defence Service Estimates.
Note 1: For investment in Ordnance Factories, the limit of Rs. 5 crore mentioned in item A(ii) will be applicable with reference to investment in all the factories as a whole.		
Note 2: Civil works, which do not form part of any project of the departmental undertakings (Ordnance Factories) should be treated as ordinary Defence works. As such, prior approval of Parliament will be necessary if the cost of individual works exceeds Rs. 2.5 crore and in cases where the individual works cost Rs.50 lakhs or more but not exceeding Rs. 2.5 crore, a report to Parliament will be required. A list of such works should, however, be supplied to Director of Audit, Defence Services.		

Department of Economic Affairs F. No. 7(1)/B(D)/2006 dated 31.07.2006

Subject: Public Account Committee (14th Lok Sabha) -Recommendation in Para No. 14 contained in Report No. 17— Large-scale Unspent Provisions—regarding

The undersigned is directed to refer to this Department's OM No. 7(6)B(R)/2001 dated 20th July, 2001 issued in the context of the Public Accounts Committee (13th Lok Sabha) in para 13.1 in their 16th Report, taking adverse note of the large scale unspent provisions of Rs. 44,231.22 crore in the Grants/ Appropriations operated by the Civil Ministries/ Departments during the year 1996-97 and recommendation thereon (copy enclosed). Further to that Report the PAC of 14th Lok Sabha has *inter-alia* recommended in para 14 of 17th Report that the Ministry of Finance, being the nodal Ministry, should impress upon all the Ministries/ Departments to make a thorough study of the cases where large scale (Rs. 100 crore or more) unspent provisions have occurred and lay down appropriate guidelines for being followed by them in this regard.

2. In this context, attention is invited to Department of Expenditure's OM No. F.No. 5(6)/L&C/2006 dated 1st June 2006 regarding updated Scheme of 'Integrated Financial Adviser'. Para 9 (i.) of the above mentioned OM enjoins upon Financial Advisers with the assistance of CCAs/ CAs the responsibility of bringing in more analytical inputs into the budget formulation process to ensure better inter-se programme/ prioritization and allocation within budget ceilings based on expenditure profiles of each programme, assessment of outcomes and current status of projects. Such analysis is envisaged to ensure a more realistic and efficient deployment of resources, reduce the reliance on supplementaries and help significantly control injudicious formulation of budget estimates/ utilization of funds where "large savings"/ unspent provisions can be reduced if not altogether avoided. Further in order to efficiently re-deploy the savings anticipated to occur in the financial year, the Financial Advisers are required to comply with the provisions in Rule 56 of the General Financial Rules 2005 for surrendering the savings to Government in time as per the dates prescribed by the Ministry of Finance.

3. It is expected that earlier instructions of this Ministry on the need for the individual Departments to put in place effective mechanism for realistically assessing their requirement of funds in a way that would ward off the occurrence of unwarranted surrender of savings at a later date may have been implemented by Departments/ Ministries concerned. The Public Accounts

Committee (PAC) in Para 14 of the 17th Report relating to Union Government Appropriation Accounts (Civil) 1996-97 has observed that 'large scale unspent provisions under Grants/Appropriations by the civil Ministries/ Departments have become an almost recurring feature and the position is still to improve. The Committee are inclined to conclude that the concerned Ministries/Departments have not made any serious attempts to apply effective corrective measures in accordance with the Committee's recommendations'. Therefore, in compliance with the recommendation made by the PAC in this regard, the Financial Advisers are requested to carry out a thorough study of the cases/schemes where large-scale unspent provisions have occurred and take the following appropriate action so as to avoid recurrence of large-scale unspent provisions in their respective Demands for Grants:

- (i) Budget Estimates and Revised Estimates shall be prepared with, reference to the measurable/ monitorable commitments made in the Outcome Budget and fiscal discipline enforced in implementation of programmes/ projects to ensure 'value for money';
- (ii) Ministries/ Departments may review the expenditure profile of each major schemes/ programmes at regular intervals and apply the result of such analysis at the time of initial budget formulation so that a more realistic estimation of expenditure is made;
- (iii) Ministries/ Departments may, after carrying out such review, intimate this Ministry at the time of finalization of Revised Estimates of the current year the possible savings in their Grant for re-deployment of resources to other priority sectors;
- (iv) In case any savings are identified even after finalization of Revised Estimates of the year, surrender of such savings may be intimated to this Ministry immediately;

4. All Ministries/ Departments are requested to note the above instructions for strict compliance.

Planning Commission UO No. N-11016/4/2006-PC dated 29.08.2006

Subject: Guidelines regarding Inclusion of New Schemes in the Plan, Enhancement of Five Year Plan/ Annual Plan Outlays, Major changes in the Scope and Investment approval of the Plan Schemes, for the Central Ministries/ Departments

I. Proposals are often received from the Ministries for inclusion of new schemes in the Plan, enhancement of Five Year Plan/ Annual Plan outlays, major changes in scope of the schemes (including change in objectives, criteria and pattern of assistance / subsidies etc.). In this regard, inclusion of new schemes in the Plan requires principle approval of Planning Commission before they are submitted for approval to competent authorities as per existing delegation of powers. From the Eleventh Five Year Plan, the following procedure would be adopted for inclusion of schemes / projects in the Plan.

a) Schemes that would not require 'In Principle' approval:

Formulation of a Five Year Plan is a detailed exercise preceded by extensive deliberations and consultations by the Working Groups and Steering Committees. The existing schemes are examined by the Working Groups/ Steering Committees and revamping/ modifications/ strengthening are suggested in many cases. The Steering Groups also recommend initiation of new schemes to fulfill specific objectives after taking into account the plan priorities and the availability of resources.

(i) In case of the existing schemes which need to be continued in the next Plan, no 'in principle' approval would be required. This does not, however, mean that schemes can be continued from one Plan to another without going through a rigorous Zero Based Budgeting exercise. In case a new component is to be added to an existing scheme, this would be considered by the Steering Committee and recommended for inclusion in the Five Year Plan. In case the component to be added is included in the Five Year Plan with adequate allocation of resources, the additional component in existing Schemes would not require 'in principle' approval.

(ii) The new schemes/ projects which are proposed to be taken up in the Plan have to be indicated in the Plan Document and financial resources have to be fully provided for that scheme/ project. In such cases, 'in principle' approval of the Planning Commission would not be required.

(iii) It may be noted that a mere mention of a project/ scheme/ additional component in an existing scheme without adequate plan provision at the beginning of the Five Year Plan period would not be exempted from the discipline of 'in principle' approval procedure. In brief only the new schemes/ projects/ additional components that may have been included in Five Year Plan with full provision of resources would not require 'in principle' approval.

(b) Schemes that would require 'in principle' approval:

(i) Scheme/ Project/ additional component in an existing scheme which could not be included in the Five Year Plan with adequate provision would require in principle approval of the Planning Commission before the Ministries/ Departments seek sanction of the appropriate authorities for taking up the scheme /project.

(ii) For seeking 'in principle' approval, the Ministries/ Departments should submit a detailed note to the Planning

Commission on the justification for the new scheme / project with a broad outline of the proposed scheme /project.

(iii) After obtaining 'in principle' approval, the Ministries/ Departments shall conduct an exercise to find resources for the proposed scheme/ project/ additional component in an existing scheme in consultation with Planning Commission. This would require a detailed analysis of requirement and availability of funds for the existing Schemes and Projects. In case requirement of funds is higher than the availability, the Ministries/ Department should undertake a reprioritization exercise in consultation with subject division in Planning Commission and based on the result give details of commitments on on-going schemes/ projects along with the requirement and availability of funds for the proposed scheme/ project additional component in an existing scheme clearly spelling out the implications of the reprioritization (in terms of re-phasing of on-going schemes and/ or weeding out of schemes together with its impact on physical output).

(iv) After obtaining 'in principle' approval of Planning Commission (which would mean specific approval of Secretary Planning Commission) and tying up financial resources, the Ministry/ Department would/ process the scheme/ project/ additional component in an existing scheme to obtain necessary approvals as per existing delegation of powers through SFC/ EFC/ PIB, as the case may be.

II. Enhancement of Five Year Plan/ Annual Plan outlays: The Five Year Plans are generally indicative in nature. They are operationalized through Annual Plans. As such outlays to be provided by the Planning Commission for the Annual Plan will take into consideration such adjustments and enhancement as may be necessary. After the Annual Plans have been finalized and corresponding amounts provided in the Budget of the Central Ministries, upward revision of more than 10% of the Budget Estimate at the Revised Estimate stage, should be referred by the concerned Ministry to the Planning Commission and it is only after the Planning Commission concurs that these should be taken up with the Ministry of Finance for Supplementary Grants.

III. Change in Scope: Major changes in the scope of the schemes already included in the Plan, in terms of change in objectives, coverage of population, criteria, pattern of subsidy, assistance, etc. should be first referred to the Planning Commission for obtaining concurrence in the same manner as a new scheme (item I above) before the revised scheme is processed for sanction by the competent authority. In case of continuing CSS, approval for change in scope etc., may, be sought as per the existing procedure and delegation of authority from the Planning Commission, as in other Plan Schemes.

IV. Sanction of the Scheme: All continuing and new schemes included in the Five Year Plan are to be sanctioned by the competent authority (Board of Companies/ Ministries/ Ministry of Finance/ CCEA) after the recommendations of the respective body (DSC/ SFC / EFC/ PIB, etc.) as the case may be, in accordance with the existing delegation of financial powers. These approvals should be processed by the Central Ministries only after necessary Plan provisions are available in the Five Year Plan /Annual Plan. In case of new schemes, these should be processed after the Planning Commission has concurred to their inclusion in the Plan.

V. Procedure for Introduction of a new Centrally Sponsored Scheme (CSS): Approval of full Planning Commission is necessary for including a CSS in the Plan. For introduction of a new Centrally Sponsored Scheme (CSS), which meets the criteria laid down by the Committee of National Development Council (NDC), the Ministries/Departments should first obtain an 'in principle' approval of the Planning Commission, (specific approval of Secretary, Planning Commission) giving justification for introduction of the scheme and indicating:

- (i) Whether the existing Centrally Sponsored Schemes being run by the Ministry/ Department have been reviewed and schemes identified for closure, weeding out and/or merger with full details thereof;
- (ii) Whether an exercise has been carried out for avoidance of multiplicity of implementation machinery, and if so, results thereof;
- (iii) Scheme wise details of number of posts sanctioned/ created at the Ministry/ Department, Central, State and District level;
- (iv) Whether any rationalization exercise has been undertaken, and if so, details thereof;
- (v) Are there existing schemes with similar objectives in the Ministry/ Department of ether Central Ministries/ Departments and/ or schemes with similar objectives being implemented by the State Governments, and if so, details thereof and the justification for taking up the new scheme instead of strengthening / modifying the existing schemes;
- (vi) The reasons for not implementing the scheme under State Plan with earmarked funds.

VI. The receipt of this communication may kindly be acknowledged.

Deptt. of Economic Affairs O.M. No. F.1(5)-B(AC)/2005 dated 12.10.2006

Subject: Decentralization of Budget Provisions in respect of 'Works Expenditure' from the Demands for Grants of Ministry of Urban Development and reflecting them in the respective Demands for Grants of the Ministries/ Departments concerned

Reference paragraph 3.16 of this Ministry's Budget Circular for 2007-2008 issued under letter No. F.2(9)-B(D)/2006 dated 21.9.2006* regarding allocation of funds towards 'works expenditure' hitherto provided for centrally in the Demands for

Grants of Ministry of Urban Development.

2. The issue regarding shifting of the budget provision towards 'works expenditure' from the Demands for Grants of Ministry of Urban Development to that of various Ministries/ Departments concerned has been under examination of this Ministry in consultation with Ministry of Urban Development, CPWD, Controller General of Accounts, Planning Commission and concerned individual Ministries.

3. After due consultation, it has been decided to reflect the budget provision on 'works expenditure' (capital provision towards construction of office/ residential/ non-residential building), hitherto provided for centrally in the Demands for Grants of Ministry of Urban Development, in the respective Demands for Grants of the following Ministries/ Departments, who have formally concurred with the same, with effect from BE 2007-2008, and applicable to the budget provisions made under both Plan as well as Non Plan. The execution of capital works, will continue to be carried out by Central Public Works Department.

Department of Economic Affairs
 Ministry of Science and Technology
 Department of Telecommunications
 Ministry of Healthy and Family Welfare
 Ministry of Power
 Ministry of Petroleum and Natural Gas

4. As far as revenue expenditure towards 'maintenance, repairs and minor works' of the Government building is concerned, the budget provisions will continue to remain in the Demands for Grants of Ministry of Urban Development. The budget provisions towards 'works expenditure' (capital expenditure) of other Ministry/ Departments, who have not formally intimated their concurrence with the new arrangement, to this Ministry, will continue to be reflected in the Demands for Grants of Ministry of Urban Development.

5. Controller General of Accounts, Ministry of Finance, Department of Expenditure will issue necessary accounting mechanism to be followed by those Ministries and Departments listed in para 3 above, keeping in mind the revised arrangements.

6. The Ministries/ Departments listed in para 3 above are requested to take necessary action for reflecting 'works expenditure' (capital provision towards construction under Plan and Non Plan) in their statement of Budget Estimates for the BE 2007-2008 and are also advised to put in place, well in advance, the required systems and procedures in consultation with the Office of Director General (Works), Central Public Works Department/ Chief Controller of Accounts, Ministry of Urban Development, in order to ensure smooth implementation of the new arrangement with effect from 1.4.2007.

7. This issues with the approval of Finance Secretary.

(Dakshita Das)
 Director (Budget)

** Not printed, being in the nature of an annual document.*

Planning Commission's Member-Secretary's D.O. No. N-11016/5(1)2006-PC dated 13.11.2006

To all Secretaries, Government of India.

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...I am writing to you to draw your attention towards initiating the proceedings for finalizing Eleventh Plan (2007-2012) and Annual Plan 2007-08, which would also be the first year of the Plan. The discussions are proposed to be held during December 2006-January 2007).....

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2. The guidelines for the classification of the Plan and Non-Plan expenditure (Appendix-1), the formats for presenting the proposals (Appendix -2)* and monitoring the progress of Quantifiable Deliverables of Central Ministries/ Departments for Annual Plans with respect to the Outcome Budget (Appendix-3 & 4)* are enclosed.

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Appendix-1

**GUIDELINES FOR THE CLASSIFICATION OF EXPENDITURE
 FOR THE ELEVENTH FIVE YEAR PLAN (2007-2012)**

The following guidelines may be observed for classification of expenditure relating to the Eleventh Five Year Plan in respect of Central

Government, State Governments and UTs' outlays over the period 2007-2012.

Definition

A. Plan Expenditure

All outlays proposed under the following heads will be classified as plan outlays:

I Spillover

(i) Outlays connected with all Plan programmes/ projects/ schemes which have been sanctioned in the Tenth Plan or earlier, and which have not been completed as on 31.03.2007. In determining the "completion" or otherwise of a programme/ scheme during the Tenth Plan period a careful analysis of the performance/progress of the Schemes vis-a-vis prescribed plan targets and intended benefits is warranted. The approach to categorization of schemes as "completed", "part-completed" or "not completed" may vary from scheme to scheme depending on the nature of the schemes. The basis for categorization should be specifically indicated, however, in case of Central Sector /Centrally Sponsored Schemes, these will constitute the plan outlay for the "Spillover" schemes/projects, only if they have been evaluated afresh/subjected to Zero Based Budgeting and have been cleared for continuation in the Eleventh Plan in consultation with the concerned Nodal Adviser(s) in the Planning Commission.

(ii) In case of "Spill-over" projects/ schemes involving investments/ expenditure which have well defined physical targets of completion, as per originally approved schemes, a four-fold classification is to be adopted. These are as follows:

- (a) Projects/Schemes due for completion in the Eleventh Plan or beyond as per the approvals: These can be included as plan projects.
- (b) Projects/Schemes due for completion by the end of the Tenth Plan in which less than 10 per cent of the approved outlay as on 31.3.2007 will be spent: These projects should be separately identified for weeding out/shelving/dropping or converging/transferring to the private/ joint sectors, or PPPs as the case may be. Projects initiated prior to the Tenth Plan and where less than 20 per cent of the approved outlay for the project has been spent, so far, may be similarly treated.
- (c) Projects/ Schemes due for completion by the end of the Tenth Plan in which more than 75 per cent of the work has been completed: These projects are to be indicated separately for accelerated completion. The revised estimates of time and costs and the phasing out are also to be included.
- (d) All other projects/schemes not falling into the above three categories: States and Ministries are to evaluate afresh such projects for the Eleventh Plan as per the guidelines applicable for any new proposal.

II Upgradation and Expansion

Outlays on existing programmes/ projects/ schemes which lead to or are by way of, additions or extensions to capacity, of existing institutions/establishments for further development thereof: The investments involved in this case and the additional capacities proposed may be quantified when setting out the outlays under this head. These investments are to be broadly classified as plan outlays on "Upgradation/ Expansion".

III Modernisation/ Balancing Investment

Investment outlays for improving productivity/performance levels of existing capital stock (as on 31.03.2007): If such investments are of a major nature, outlays when proposed should quantify the improvements in productivity performance or capacity utilisation expected, in appropriate units of production/performance. These investments are to be broadly classified as "Modernisation/ Balancing Investment".

IV Replacement

Investment outlays required to replace worn-out or over aged capital stock: In proposing such investments the vintage (i.e. age) of the capital stock proposed to be replaced and the improvements that would be effected either in levels of output/performance (improved capital output ratios) or in reduction of operational costs should be clearly brought out, together with the implications for improved resource generation. These investments are to be broadly classified as "Replacement Investment".

V New Projects

New Plan Proposals: Development programmes/ projects/ schemes on capital/ revenue account that have been cleared for inclusion in the Eleventh Plan, in principle or otherwise, or for which an investment decision has been taken or is in the process of being taken by the concerned authority as per the applicable guidelines.

In case of spill over projects that are finally included in the Eleventh Plan proposals, the date of initiation of the projects/ schemes is to be indicated.

VI Administrative and Residential Buildings

All outlays on construction of administrative and residential buildings will have to be included within the Plan. Expenditure on police housing etc., financed from Central loans will form part of Central Plan outlay.

VII Centrally Sponsored Schemes

The criteria set out above in Section I-VI shall be applicable for Centrally Sponsored Schemes also. In the case of schemes/programmes that have to run for a specified period of time, extending beyond the Tenth Plan, the total unspent portion of the approved outlay both on revenue and capital account by the end of 2006-07 may be treated as Plan outlay for the Eleventh Plan (2007-2012).

B. Committed Non-Plan Expenditure

The items of expenditure/outlays incurred in the current (Tenth) Plan that are to be treated as committed non-plan expenditure are as

follows:

- (i) All expenditure connected with operation and maintenance of development schemes completed during the five-year period ending 31.3.2007.
- (ii) In case of development schemes spilling over, a portion of the assets may have already been created or services/ facilities established. Operation and maintenance of such assets or services/facilities is to be treated as committed non-plan expenditure.
- (iii) In the case of programmes/ schemes/ activities involving phased coverage, the expenditure on field staff of the block(s) already covered, along with expenditure on headquarters staff, is to be treated as committed non-plan expenditure.
- (iv) All expenditure connected with maintenance of existing institutions and establishments will be treated as non-plan committed expenditure.
- (v) In the case of programmes/ schemes and activities which are of a recurring or continuing nature e.g. Soil Conservation, Land Reclamation, Health, Vaccination, anti-Malaria measures, Survey and Settlement etc., the expenditure on staff in position as on 31.03.2007 should be treated as committed non-plan expenditure.
- (vi) All Grants-in-aid up to the level attained at the end of the year 2006-07 will get transferred to the non-plan side of the Expenditure Budget for 2007-08.
- (vii) Expenditure on fellowships and Scholarships at the level reached by the end of the year 2006-07 will get shifted to the non-plan side of the Expenditure Budget.
- (viii) Normal or current operation and maintenance costs of all existing revenue generating assets are to be treated as a part of committed non-plan expenditure.
- (ix) All social sector schemes which are in the nature of transfer payments, such as old age pensions and subsidies to various items of consumption, are to be treated as non-plan outlays unless specific approval of the Planning Commission has been obtained.

Wherever transfer of Plan to non-plan under committed expenditure involves continuance of staff, the need has to be examined carefully and full justification has to be given for any proposed continuance of staff.

The committed expenditure liability is to be borne by the Central Government in respect of Central Plan Schemes and by the State Governments in respect of State Plan Schemes and Centrally Sponsored Schemes.

C. Selective Use of Plan Funds for Maintenance of Existing Assets:

In an effort to improve the productivity of existing capital assets, and efficiency of resource use during the Eleventh Plan, selective use of Plan Funds is to be permitted for critical repair and maintenance activities. This is to be restricted to a few sectors namely, Surface Transport including Roads and Railways; Power; Irrigation; Health; Education (including scientific research & higher education) and Rural and Urban Infrastructure. The proportion of Plan funds that can be considered for diversion to repair & maintenance would vary from sector to sector and in any case it would not exceed 15% of the Plan budgetary support to the sector/major head of development of which the maintenance activity is a part. The amount that could be diverted, in this context, would in each case be determined and approved by the joint team of officials from the concerned Ministry and/or State Government and the Planning Commission.

D. Presentation of Plan Outlay

(i) For the Eleventh Plan, it has been decided to lay emphasis on completion of on-going projects and upgradation of existing capital assets before starting new projects. The new projects may be taken up only after a certain minimum number of partially completed/on-going projects are brought to completion. These need to be indicated while presenting the plan proposal. This, however, does not entail a completion of all such existing projects that on present consideration are not seen to be the most desirable from the point of available technical options and/or economic principles. Such Projects may be discontinued/shelved/ weeded out in the course of evaluation to be undertaken prior to the formulation of the Eleventh Five Year Plan.

(ii) The selective use of plan fund for maintenance of existing assets in the identified sectors, with a view to improve the productivity and efficiency of resource use during the Eleventh Plan, is to be indicated separately. These outlays have to be in accordance with the guidelines outlined earlier in Part-C above.

The plan proposals have to adhere to these presentational changes.

All Plan outlays should be shown on a Gross Basis, i.e., inclusive of autonomous investments (e.g. from internal resources). Also the breakup of internal resources (i.e. depreciation & retained surplus) should be shown separately.

The components of the Plan outlay, i.e., "Capital and Revenue" for each of the programmes/ projects/ schemes should be shown separately. The quantification of revenue outlay should be done carefully with reference to the committed expenditure already provided under the non-plan side. Particular emphasis is to be placed on providing for maintenance outlays in committed non-plan expenditure as discussed above. Details in respect of upgradation, modernisation, improvement and replacement should be given separately both under continuing schemes as well as new schemes.

In case of clarification, please get in touch with the Plan Coordination Division or the concerned Nodal Division in the Planning Commission.

**Not printed here.*

Department of Expenditure F. No. 21(1)-PD/2005 dated 27.12.2006

Subject: Cash Management System in Central Government - Modified Exchequer Control based Expenditure Management and Restrictions on Expenditure during the last quarter of the Financial Year

The undersigned is directed to refer to Office Memorandum of even number dated January 10, 2006 regarding introduction of exchequer control based expenditure with effect from April 1, 2006.

2. Based on the working of the scheme, it has been decided to expand and modify the Scheme as detailed below.
3. The Modified Cash Management System seeks to achieve, inter alia, the following objectives:
 - (i) Obtain greater evenness in the budgeted expenditure within the financial year, especially in respect of items entailing large sums of advance releases and transfers to corpus funds.
 - (ii) Reduce rush of expenditure during the last quarter, especially the last month of the financial year.
 - (iii) Reduce tendency of parking of funds.
 - (iv) Effectively monitor the expenditure pattern.
 - (v) Better planning of Indicative Market Borrowing Calendar of the Central Government.
4. The Scheme shall apply in respect of 23 Demand for Grants listed in Annex I, including 9 to which the Scheme is being extended with effect from financial year 2007.
5. Financial Adviser would be responsible for the implementation of the modified expenditure management system. He/she may nominate a nodal officer for the purpose.
6. In respect of each Demand for Grant, Monthly Expenditure Plan (separately for Plan and Non-Plan Expenditure) [MEP] would be worked out and included as an annexure to the Detailed Demand for Grant in respect of the said Demand for Grant. Suggested format is at Annex-II.
7. MEP would form the basis of Quarterly Expenditure Allocations [QEA]. The Department/ Ministries concerned may not issue cheques beyond the Quarterly Expenditure Allocation (which would be equal to the sum of provisions under Monthly Expenditure Plan), without prior consent of Ministry of Finance (Cash Management Cell, Budget Division).
8. The MEP may be finalized taking into account the following:
 - (a) MEP for the month of March may not exceed 15 per cent of the budgeted provision (Budget Estimate);
 - (b) MEP for the months of January-March may be so fixed that the QEA for the last quarter may not exceed 33 per cent of the budgeted provision; and
 - (c) The extant guidelines of Ministry of Finance, Department of Expenditure including D.O. No. 7(3)/2006/E.Coord, dated December 21, 2006.
9. The exchequer control would apply cumulatively at the Demand for Grants level only, i.e. *inter se* variations between months within a quarter, between plan and non-plan and between schemes would be permissible, subject to statutory restrictions and extant guidelines.
10. Savings, if any, incurred under the Quarterly Expenditure Allocations would not be available for automatic carry forward to the next quarter. The Department/Ministry may, however, approach Ministry of Finance for re-validation of such savings through modification in the Monthly Expenditure Plan and thereby Quarterly Expenditure Allocation. Spill over in respect of Monthly Expenditure Plan, not inconsistent with Quarterly Expenditure Allocation would not require prior revalidation from Ministry of Finance but may be included in the quarterly modification.
11. Ministry of Finance would consider such requests for revalidation within a period 5 days of receipt of such request, failing which the request for revalidation would be deemed to have been granted.
12. The Monthly Expenditure Plan and Quarterly Expenditure Allocations pertaining to the 4th quarter of the financial year would be subsumed in the finalization of Revised Estimate of the financial year.
13. The Monthly Expenditure Plan and Quarterly Expenditure Allocations may be made in gross terms.
14. In addition to the above, it is advised that even in respect of Demand for Grants not covered by the modified exchequer management system, the expenditure in the last quarter of the financial year may not exceed 33 per cent of the Budget allocation for the Demand for Grants. However, in the event of Revised Estimates being fixed lower than the Budget Estimate, actual expenditure may be kept within the Revised Estimate.
It is clarified that the above provision shall apply in the current financial year as well.
15. This Office Memorandum supersedes the Office Memorandum of even number dated January 10, 2006.
16. Receipt of this Office Memorandum may kindly acknowledged.

Annexure-I

Sl. No.	Demand No.	Name of the Ministry/ Department
1	1	Department of Agriculture and Cooperation
2	2	Department of Agricultural Research and Education

3	8	Department of Fertilisers
4	11	Department of Commerce
5	14	Department of Telecommunications
6	18	Department of Food and Public Distribution
7	31	Ministry of External Affairs
8	32	Department of Economic Affairs
9	41	Indian Audit And Accounts Department
10	42	Department of Revenue
11	43	Direct Taxes
12	44	Indirect Taxes
13	47	Department of Health & Family Welfare
14	57	Department of School Education and Literacy
15	58	Department of Higher Education
16	68	Ministry of Panchayati Raj
17	71	Ministry of Petroleum and Natural Gas
18	73	Ministry of Power
19	79	Department of Rural Development
20	86	Department of Road Transport and Highways
21	92	Ministry of Textiles
22	100	Department of Urban Development
23	104	Ministry of Women & Child Development

Financial Year:.....

Annexure-II

Month	Plan	Non Plan	Total	Cumulative Total
April				
May				
June				
July				
August				
September				
October				
November				
December				
January				
February				
March				
Total				

Department of Economic Affairs No. F 2(72)-B(CDN)/2006 dated 30.04.2007**Subject: Budget 2007-08; Provisioning for Establishment related Expenditure in Continuing/ Completed Plan Schemes during the XIth Plan**

Various references received from different Ministries/ Departments on the issue of transfer of schemes from Plan to Non-Plan and provisioning thereof, has been considered and the following decisions communicated for further necessary action in the matter by the concerned Ministries/ Departments.

1. Committed liabilities of salary and establishment are to be transferred to Non-Plan only in respect of completed Schemes. A lump sum provision for the same exists in the Demand of Department of Expenditure for the year 2007-08. Wherever provisions are required to be made in such cases, Ministries/ Departments may bring up proposals for Supplementary Demands for Grants at the appropriate time;
2. If the scheme is a continuing Plan Scheme, the establishment/ maintenance and all other components of expenditure that are integral to it would continue to be provided for under Plan. Ministries/ Departments are advised to review their allocations under Plan to absorb these liabilities as part of their overall Plan outlay approved for 2007-08 through re-appropriations wherever possible;
3. Spillover liabilities of Discontinued schemes (w.e.f. from 1.4.2007) to be provided for during 2007-08 will first need to be realistically assessed by the concerned Ministries/ Departments and provisions for the same will be considered on a case to

case basis for adjustment in RE Plan 2007-08 in the Demand of the concerned Ministry/ Department.

This issues with the approval of Finance Secretary.

DOT No. 3-3/2007-B dated 23.05.2007

Subject: Cash Management System in Central Government - Modification Exchequer Control Based Expenditure Management and Restrictions on Expenditure during the Last Quarter of the Financial Year

As intimated by Ministry of Finance an exchequer Control based expenditure management system has been introduced as a part of Modified Cash Management system in respect of certain Demands for Grants including that of Department of Telecommunications.

The Modified Cash Management System seeks to achieve, *inter alia*, the following objectives:

- (i) Obtain greater evenness in the budgeted expenditure within the financial year, especially in respect of items entailing large sums of advance releases and transfers to corps funds.
- (ii) Reduce rush of expenditure during the last quarter, especially the last month of the financial year.
- (iii) Reduce tendency of parking of funds.
- (iv) Effectively monitor of the expenditure pattern.

Based on the guidelines of the Ministry of Finance, a Monthly Expenditure Plan has been prepared and annexed to the Demands for Grants for 2007-08.

As stipulated in the guidelines of Ministry of Finance, the expenditure during the last quarter and last months of the financial year should not exceed 33% and 15% respectively of the budgeted provision. Further the Monthly Plan Expenditure would form basis of Quarterly Expenditure Allocation and savings if any under the Quarterly Expenditure Allocation (QEA) will have to be got revalidated from Ministry of Finance for carrying over to the next quarter. Spill over in respect of Monthly Expenditure Plan, not inconsistent with Quarterly Expenditure Allocation would not require prior revalidation from Ministry of Finance.

The allotment for the whole year-2007-08 will be issued shortly. While utilizing the funds guidelines of Ministry of Finance may be strictly adhered to so as to avoid rush of expenditure towards the end of the financial year and to ensure evenness in the budgeted expenditure. A copy of the Monthly Expenditure Plan in respect of Plan expenditure is enclosed.*

* Not printed

Department of Expenditure No. 1(3)/PF.II/2001 dated 29.05.2007

Subject: Continuation of On-going Schemes from X to XI Plan: Instructions regarding

Reference is invited to this Department's earlier OMs of even number dated May 10, 2002 and July 10, 2002 on the subject of continuation of Plan Schemes from IX to X Plan. In the following paragraphs, the modality for continuation of Schemes from X to XI Plan is elaborated. This modality is equally applicable to both Central Sector (CSs) and Centrally Sponsored Schemes (CSSs).

2.0 Pursuant to submission, in September, 2006, of the recommendations of an Expert Group constituted for developing concrete proposals for restructuring of CSSs, a partial Zero Based Budgeting (ZBB) exercise has been carried out by Planning Commission prior to launching of Annual Plan 2007-08 and the number of CSSs have been pruned to 82 in 2007-08 from 155 in 2006-07 (excluding 17 new CSSs proposed for 2007-08). Similarly, partial ZBB for Annual Plan 2007-08 has brought down the number of CSs to below 1,000 from 1,251 in operation during 2006-07. Planning Commission is presently engaged in review of the ongoing CSs and CSSs to decide, on the basis of a detailed ZBB exercise, their continuation, discontinuation, merger and/or rationalization in any other manner, for the remaining duration of the XI Plan.

3.0 For continuation of schemes from X Plan to XI Plan, Schemes falling under the following categories require appraisal and approval in terms of extant OMs of Department of Expenditure:

- (i) Schemes requiring modification as suggested by the Planning Commission (following the Zero Based Budgeting exercise for 2007-08 or for the full term of the Plan);
- (ii) Merger of schemes with modifications in basic parameters of the constituent schemes.

3.1 Herein, it is expressly clarified that the mere fact of merger/ amalgamation under different umbrella, along with change in nomenclature will not be an adequate or sufficient reason for fresh appraisal and approval of a continuing Scheme. The necessary condition for this purpose is a modification in basic parameters.

4.0 For schemes not falling under the above categories, administrative Ministries/ Departments are to ensure that before approving continuation of the Schemes in the XI Plan, the Schemes are subjected to evaluation through an independent, impartial and reputed agency and the evaluation reports put through a rigorous scrutiny with regard to performance in the X Plan. It may be noted that proper evaluation of ongoing Schemes is of critical essence in view of the following important developments that have taken place in this regard lately:

1. Vide Para 100 of Budget Speech (2005-06), Finance Minister has stressed the need to emphasize “outcomes” of Schemes rather than just “outlays”;
2. Prime Minister, in his letter of March 17, 2005 addressed to all Ministers, has emphasized the need to improve the quality of implementation of development programmes, in line with the Budget Speech announcement;
3. Ministry of Finance, in pursuance of these directions, has prepared an “Outcome Budget” in respect of development programmes/ schemes being implemented by various Ministries/ Departments which was laid in Parliament in August, 2005 and on a yearly basis since then;
4. Continuing with the general theme of increasing emphasis on “outcomes” of Schemes, rather than mere “outlays”, the then Secretary (Expenditure) has addressed letters, dated December 30, 2005, to all Secretaries of Government, to initiate action to conduct comprehensive, in-depth and independent evaluations of Plan Schemes and programmes under implementation within their charge. Referring to Para 100 of Budget Speech, 2005-06, it has been underlined that Plan Schemes and programmes will not be allowed to continue indefinitely from one Plan period to another without such evaluation. It was re-iterated in a subsequent letter, dated July 27, 2006, from the then Finance Secretary to all Secretaries, that decision regarding continuation of Schemes from X to XI Plan should be supported by depth and independent evaluation reports.

4.1 The Financial Adviser of the concerned Ministry shall invariably be involved with such scrutiny. This would ensure that the Schemes are scrutinized as above before approving the same for continuation in the XI Plan. While the Administrative Ministry is free to evolve an appropriate format such scrutiny, it may be advisable to use the existing EFC format for this purpose.

4.2 The scrutiny as above, may, *inter alia*, yield recommendations with regard to the following:

- (i) Whether the Scheme needs to be continued in XI Plan or dissolved forthwith;
- (ii) In case it is to be continued, then:
 - a. Need for improvements;
 - b. Phasing of Expenditure in the XI Plan for each component of the Scheme;
 - c. Setting of physical and financial milestones/ targets for the XI Plan for each component.

5.0 The Administrative Ministry can approve the continuance of the scheme for the XI Plan period, if and only if, after the scrutiny as above, all the following conditions are fulfilled:

- (a) No major change in the content or parameters of the scheme is proposed. The word “major” is left to the interpretation of the appraising authorities, with the suggestion that any change in basic parameters, e.g., change in objectives, quantum, pattern and extent of subsidy, user fee, delivery mechanism, population coverage/ beneficiary definition, eligibility conditions/ criteria and so on would constitute a “major” change.
- (b) No change in the pattern of assistance to the States, in the case of a Centrally Sponsored Scheme, is envisaged;
- (c) The projected requirement of funds for implementing the Scheme over the Plan period is within the outlay approved by Planning Commission;
- (d) While approving the scheme for implementation during X Plan, the competent authority (CCEA) should not have specifically decided to terminate the scheme at the end of X Plan.

5.1 In all other instances, the extant appraisal and approval mechanisms of Government would need to be followed.

6.0 Notwithstanding the above, in respect of Schemes which have not gone through any appraisal during the IX and X Plan periods, a fresh appraisal and approval is necessary for continuation in the XI Plan, as per the extant delegation of powers in this regard. The appraisal would be based on an evaluation of the Scheme, in similar manner as prescribed above.

7.0 A question might arise as to what would be the appropriate forum for appraisal and approval in respect of such Schemes where the XI Plan outlay for the Scheme has not yet been fixed by Planning Commission. In this regard, it is clarified that the benchmark here, till such time that Planning Commission does not fix the final Plan outlays in respect of the Schemes, would be the higher of the XI Plan allocation recommended by the Sectoral/ Departmental Working Group for XI Plan constituted by Planning Commission, and the figure communicated finally by the Ministry/ Department to the Planning Commission. In all other cases, the advice rendered by Planning Commission in this respect would be final.

8.0 This issues with approval of Finance Minister.

Ministry of Tribal Affairs D.O. No. 20028/06/2007–SG.II dated 02.08.2007**Subject: Preparation of Tribal Sub Plan (TSP) and Earmarking of Funds**

The theme and approach of the 11th Five Year Plan is towards faster and more inclusive growth and in particular to reduce poverty and focus on bridging the various divides that continue to fragment the society. The Government of India has a very special responsibility under the Constitution to take care of the Scheduled Tribes (STs) who are admittedly the most deprived in all aspects of life and disadvantageous section of the society. They face locational disadvantages, isolation and backwardness. Despite special Constitutional/ legal provisions enacted for their protection and socio-economic development as well as a number of affirmative actions taken by the Government, the STs continue to lag behind the rest of the population in terms of Human Development Index (HDI). Tribal areas lack adequate infrastructure in almost all critical sectors such as healthcare, education, drinking water, sanitation, connectivity, shelter, irrigation, communication, electricity, etc. This Ministry has compiled some of the data and a copy of the same is enclosed for your reference, which reflects the huge gaps between STs and rest of the population.

2. As per Allocation of Business Rules, 1961, the Ministry of Tribal Affairs is the nodal Ministry for overall policy, planning and coordination of various programmes for the development of STs. In regard to sectoral programmes, each Ministry/ Department is the nodal Ministry concerning that sector. It is the responsibility of each Ministry/ Department concerned to implement its programmes/ schemes to improve the lives of STs. It is, therefore, necessary that each Ministry/ Department concerned implements those programmes/ schemes which contribute to the welfare of STs in a focused and integrated manner through a clearly delineated Tribal Sub-Plan (TSP) component.

3. As you are aware, TSP strategy came into force in the year 1974. It seeks to ensure adequate flow of funds not only from the State Plans, institutional finances and schemes of this Ministry, but also from all the Central Ministries/ Departments. The TSP approach, in relation to Central Ministries/ Departments, requires the following steps to be taken by your Ministry/ Department:

- i.) formulate appropriate need-based programme for tribal areas keeping in the view the existing gaps and to fulfill the same in a time-bound manner;
- ii.) suitably adapt all the ongoing programmes/ schemes to suit the specific requirements of the STs;
- iii.) quantify funds for tribal areas at least in the proportion to the ST population of the country i.e. 8.2% of the total budget of your Ministry, and
- iv.) earmark a senior officer exclusively to monitor the progress of implementation of programmes for the welfare of STs.

4. The basic requirement is to ensure earmarking of funds under TSP, in a proportion not less than the tribal population of the country. The amount so earmarked is meant to be spent exclusively for the welfare of the STs and to ensure the implementation of the TSP strategy in letter and spirit. The earmarked funds, moreover, have to be provided under a specific budget head as directed by the Planning Commission in order to ensure that the provisions made for the TSP is actual and not notional.

5. This Ministry as well as Planning Commission has pursued the adoption of TSP strategy in letter and spirit with respective State Governments. Indeed, it is a matter of great satisfaction that now almost all the States have started earmarking funds at least in proportion to the ST population in their State. In the recent meeting of the State Ministers held on 14th February, 2007 in Delhi, emphasis has been laid by almost all the Ministers in-charge of tribal welfare in respective States, to augment funds in the 11th Five Year Plan as well as in the Annual Plan 2007-08 for the welfare of the STs. Now, States have started raising the question whether Central Ministries/ Departments are following the TSP strategy which *inter-alia* includes earmarking of funds at least in proportion to the ST population in the country. I am afraid, if your Ministry/ Department do not follow the TSP strategy, it will be difficult to justify the same.

6. Keeping this in view, I shall be grateful if you could kindly ensure and confirm that:

- i.) a gap assessment for the sectors/ schemes being dealt by your Ministry/ Department among STs is carried out and a time-bound plan is prepared to infuse funds and management so as to bridge the gap;
- ii.) a Tribal Sub-Plan (TSP) is prepared for the year 2007-08 and funds for TSP is earmarked to at least 32% of the total budget and actually spent, and
- iii.) the fund earmarked for TSP is not diverted to non-tribal activities at the end of the financial year.

7. In the immediate context, the aforesaid information is required to be furnished to the Parliamentary Standing Committee on Scheduled Castes and Scheduled Tribes, which is examining the TSP allocation in its next meeting. You may like to see the communication made to your Ministry in this regard vide our DO letter No. 16015/2/2007-SG.II dated 25.7.2007.

Enclosure**Deprivation among STs**

(in percent)

Item	For all	STs
Households without access to electricity	38.6	63.5
Villages not electrified	19.5	47.8

Households without latrine	57.7	83.0
Rural BPL population	27.11	54.14
Households without permanent houses	42.3	75.6
In spite of expanding economic opportunities, 81% STs still either cultivators (small landholding) and or agriculture labourers against national average of 53.2%.		
<u>A few key indicators</u>		
Parameter	For all	For STs
% Literacy rate	64.84	47.1
Infant mortality	67.6	84.2
Neo-natal mortality	43.4	53.3
Child mortality	29.3	46.3
Under 5 mortality	94.9	126.6
% Institutional deliveries	33.6	17.1
% women with anemia	51.8	64.9
Childhood vaccination	42.0	26.4

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Nothing will ever be attempted, if all possible objections must first be overcome.

-- Samuel Johnson (1709-1784) English Author

Part III

Accounts & Finance Units in the Field

***"A prudent man will think more important
what fate has conceded to him, than what
it has denied."***

***-- Baltasar Gracian (1601-1658)
Spanish Philosopher***

CHAPTER 9

CONTROLLERS OF COMMUNICATION ACCOUNTS

A. Introduction

The Offices of Controllers of Communication Accounts (CCAs) came into existence on 1.10.2000, following the formation of BSNL. These were created with a view to ensure smooth and efficient performance of major functions of the Department of Telecom at the field level. They have played a crucial role in ensuring smooth management of retirement and other terminal benefits of lakhs of employees of DoT, BSNL and MTNL.

B. Functions of CCA Offices

The 26 CCA offices spread across the length and breadth of the country perform the following important functions:

1. **Disbursement of Pension:** CCA offices are responsible for the settlement of pensionary and terminal benefits i.e. issue of pension payment orders, authorization of payment of commuted value of pension, gratuities, recovery of pension contribution, etc.
2. **GPF, loans and advances:** The CCAs are responsible for maintenance of GPF accounts and recovery/ accounting of long term advances taken by employees.
3. **License Fee collection:** Majority of the licensees is under revenue share regime of license fee. License Fee is based on fixed percentage of Gross Revenue/Adjusted Gross Revenue. The CCAs collect and account license fee from the telecom service providers in the circle. The preliminary scrutiny of license fee related documents as per license agreement is also performed by them. CCA offices deal with license fee related work of approximately 200 licensees under UASL/ Basic/ CMTS/ NLD and other services.
4. **Maintenance of Financial Bank Guarantees:** The CCAs have been entrusted with the work of maintenance, renewal, revision and invocation of Financial Bank Guarantees submitted by the licensees.
5. **Verification of Deductions:** As per the license agreements, licensees can claim deductions (on account of pass-thru charges, roaming service charges, sales tax, service tax) from their 'gross revenues' to arrive at 'adjusted gross revenue' before calculating the license fee payable. The deductions claimed vary from 23% to 91% of the Gross Revenue under different categories of licenses. To ensure that the deductions claimed by the licensees are correct and not excess, the CCAs have been assigned the task of verifying the deductions on quarterly basis.
6. **Spectrum Charges:** The CCAs are responsible for collection and monitoring of Spectrum Revenue from Telecom service providers in respect of 113 licensees relating to GSM/ CDMA/ UASL etc.
7. **Universal Service Obligation:** The CCA is responsible for the verification of the claims of the eligible service providers and release of payment. The CCA is responsible for physical

inspection of facilities and monitoring the progress of Rural Telephony which has a direct bearing on subsidy disbursed.

8. The CCA also handle court cases at field level where the Government of India is a party in matters of license fees, spectrum fees, pension, absorption issues etc.
9. The CCAs hold *Pension Adalats* and liaise with the State Departments and other Ministries on various issues.

C. Orders Regarding Duties, Functions & Powers of CCA Offices

The various orders and circulars pertaining to the CCAs are printed below. However, those concerning *Licensing Finance*, *Wireless Finance* and *USOF Finance* and have been printed in related chapters, viz., chapters 5, 6 and 7 respectively.

DOT No. 34-31/2000-SEA-I dated 28.09.2000

Subject: Creation of "DoT Cell" at BSNL Circle Accounting Headquarters consequent upon proposed Formation of Bharat Sanchar Nigam Limited (BSNL) with effect from 01.10.2000

Approval of Member (Finance) Telecom Commission is hereby conveyed for provisional creation of "DoT Cell" consequent upon proposed formation of Bharat Sanchar Nigam Limited (BSNL) with effect from 01.10.2000 at Bharat Sanchar Nigam Limited (BSNL) Circle Accounting Headquarters. The details of posts allotted to respective "DoT Cell" in the Circles as also the Head of the Cell viz. Chief Accounts Officer/ Accounts Officer is mentioned in Annexure – A against the concerned Circle. The posts of "DoT Cell" are to be filled through diversion of posts only from within the Circle. The actual size of the 'DoT Cell' will be adjusted either way after assessing the workload of each Circle of BSNL.

2. The detailed functions to be performed by the concerned 'DoT Cell' are enclosed as Annexure – B.

3. All the concerned Circles Heads/ IFAs are requested to create the said 'DoT Cell' immediately.

Kindly acknowledge receipt.

ANNEXURE – A

Sl. No.	Name & Address of the Circle/Unit	Posts allotted by diversion within Circle
1	Andaman & Nicobar Telecom Circle BSNL, Buniyad Junction, Port Blair - 744102	CAO – 1 (Head of the Cell) AO – 2 AAO-2
2	Andhra Pradesh Telecom Circle BSNL, Nampally Station Road, Hyderabad – 500001	- do-
3	Assam Telecom Circle BSNL Navin Nagar, Guwahati – 781024	-do-
4	Bihar Telecom Circle BSNL, GPO Compound, Patna – 800001	-do-
5	Gujarat Telecom Circle, BSNL Opp. Khanpur PO, Khanpur, Ahmedabad – 380001	-do-
6	Haryana Telecom Circle, BSNL, 107 The Mall, Ambala Cantt. – 133001	-do-
7	Himachal Pradesh Telecom Circle BSNL, Uttam Bhawan, Dogra Estate, Shimla – 171004	-do-
8	Jammu & Kashmir Telecom Circle, BSNL, Telephone Exchange Building, Exchange Road, Jammu – 180009	-do-
9	Karnataka Telecom Circle, BSNL, Telephone Bhawan, Ulsoor, Bangalore - 560008	-do-
10	Kerala Telecom Circle BSNL, P.M.G. Junction, Near Muscat Hotel, Trivandrum – 462015	-do-
11	Madhya Pradesh Telecom Circle, BSNL, Hoshangabad Road, Bhopal – 462015	-do-
12	Maharashtra Telecom Circle, BSNL, G.P.O. Building IInd Floor, Mumbai – 400001	-do-
13	North East Telecom Circle, BSNL, Shillong -783001	-do-
14	Orissa Telecom Circle, BSNL Bhubaneshwar-750001	-do-
15	Punjab Telecom Circle, BSNL, SC0/102-103, Sector –34A, Chandigarh – 1.	-do-
16	Rajasthan Telecom Circle, BSNL, Jaipur-302008	-do-
17	Tamil Nadu Telecom Circle, BSNL, Chennai	-do-
18	UP (East) Telecom Circle, BSNL, Hazrat Ganj, Lucknow-226001	-do-

19	UP (West) Telecom Circle, BSNL, E-10B, Exchange Building, Patel Nagar, Dehradun – 248001.	-do-
20	West Bengal Telecom Circle, BSNL, 1 Council House Street, Calcutta- 700001	-do-
21	Calcutta Telephone District, BSNL, Martin Burn House, 11nd Floor, IRN Mukherjee Road, Calcutta- 700001.	-do-
22	Chennai Telephone District, BSNL, Kilpauk, Chennai – 600001	-do-
23	Northern Telecom Region, BSNL, DTO Building, Prasad Nagar, New Delhi – 110005	-do-
24	Eastern Telecom Region, BSNL, Telecom Bhawan, 7 Kshetra Das Lane, Calcutta – 700012	AO – 1 (Head of Cell) AAO- 2
25	Southern Telecom Region, BSNL, Telephone House, N.S.C.Bose Road, Chennai – 600001	-do-
26	Western Telecom Region, BSNL, 12 th Floor, Telephone House, V.S.Marg, Prabhadevi, Dadar (West) Mumbai – 400028	-do-
27	Northern Telecom Project, BSNL, Eastern Court Complex, Janpath, New Delhi – 110001	-do-
28	Eastern Telecom Project, BSNL, 35, Diamond Harbour Road, Calcutta-700027	-do-
29	Southern Telecom Project, BSNL, 3, Commander-in-Chief Road, Chennai-600105	-do-
30	Western Telecom Project, BSNL, Phoenix Mill Compound, 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400013	-do-
31	Technical & Development (T&D), BSNL, Sanchar Vikas Bhawan, Residency Road, Jabalpur	-do-
32	Telecom Stores BSNL, 8, Esplanade East, Calcutta- 700069	-do-
33	Task Force, BSNL, Guwahati – 781003	-do-
34	BRBRAITT, BSNL, Dr. Baba Telecom Training Center Ridge Road, Jabalpur- 482001	-do-
35	ALTTA, BSNL, ALTTC Building, Govt. of India Enclave, Ghaziabad (UP) 201002	-do-
36	Quality Assurance, BSNL, 51 Vishwas Bhawan, Cock-Burn Road, Bangalore - 560051	-do-
37	Railway Electrification Project Circle, BSNL, 46, Bajaj Nagar, Nagpur - 440010	-do-
38	National Centre for Electronic Switching, BSNL, E-2, Jhandewalan Extn., New Delhi - 110055	-do-
39	Telecom Factory, BSNL, Deonar, Mumbai- 400088	-do-
40	Telecom Factory, BSNL, 3-A, Chowringhee Place, Calcutta - 700013	-do-
41	Telecom Factory, BSNL, Jabalpur- 482002	-do-
42	CPAO, ITI Bills, BSNL, Bangalore - 5600016	-do-
43	RABMN Data Networks, BSNL, 1-10, Sector-12, Noida (UP) 201301	-do-
44	Telecom Check Office, BSNL, 33, Dalhousie Square, Calcutta- 740001	-do-

ANNEXURE – B**FUNCTIONS OF “DOT CELL” UNIT AT CIRCLE HEADQUARTERS W.E.F. 1.10.2000**

1. The pension cases and other retirement benefit cases will be processed by the BSNL circle Hq as Head of Office and submitted to the “DoT Cell” unit BSNL circle Hq along with requisite supporting documents for issuing the authorities.
2. “DoT Cell” unit will also issue PPOs and the authorities for DCRG, Commutation payment, family pension authority, authority for payment of the accumulation CGEGIS – 1980, CGEGIS – 1977, & GPF final payment authority to those on deemed deputation to the BSNL.
3. The audit of the pension vouchers in respect of these staff will also be done by the “DoT Cell” unit.
4. “DoT Cell” unit will maintain the GPF broadsheets (containing the individual wise opening and closing balance) and broad sheets (containing the individual wise opening and closing balance) of long term advances, such as HBA, MCA, Scooter Advance etc. The individual wise ledger cards, accounts in the subsidiary registers will be maintained by the office of BSNL and total of monthly credits and debits separately, will be communicated to the “DoT Cell” unit through schedules along with cheque in settlement on monthly basis. DoT Cell unit will take over the agreed balances (individual wise) as on 30.9.2000 of these heads from the BSNL circle Hq and should exhibit such balances in their broad sheet as for a separate unit.
5. All claims of Government against the BSNL and those of the BSNL will be settled in cash. The BSNL circle Hq will submit their claims giving full details to the DoT Cell unit. All claims will then be scrutinized and settled by the DoT Cell unit under the Govt. rules.

6. If there are any cases which are clear as liabilities of the BSNL, but are to be debited to the DoT; such claims should be preferred on the DoT Cell unit before 31.12.2000 for such settlement, DoT unit will obtain necessary budget allotment and then settle the claim of the BSNL.
7. To take over unused cheque books from the circle Hq and keep them for safe custody.
8. To submit the monthly Circle Abstract to DoT (Hq) in time, up to 7th of each month.
9. To open the Bank account for DoT Cell immediately at RBI, if there is no RBI branch then in SBI and operate the same. RBI CAS, Nagpur will allot the new RBI code number to each DoT Cell unit. Old cheque books of circle Hq may be used by altering the old RBI accounts code of the Circle Accountant, till new cheque books are printed.
10. Any other item assigned later on.

DOT No. 7-1/2000-TA-1/17 dated 18.10.2000

Subject: Creation of "DOT Cell" Unit at BSNL Circle Accounting Hq Consequent upon the Formation of BSNL w.e.f. 1.10.2000

Kindly refer Annexure-B attached with this office letter No. 34-31/2000-SEA-I dated 28.9.2000 in which function of "DOT Cell" unit at Circle Hq. were apprised. Certain doubts have been raised by many Circles which are clarified as under:

POINTS OF DOUBT	CLARIFICATION
Who will make the payment of : i) DCRG ii) Commuted value of pension iii) Provisional Pension iv) Leave encashment v) Accumulation in the CGEGIS-80 & CGEIS-77 vi) GPF final payment on super-annuation/ retirement	In respect of item nos. (i) to (iii) payments will be made by the DOT Cell for the employees whether on deemed deputation or absorbed in BSNL. For item nos. (iv) to (vi) payment will be made by the DOT Cell to employees who are on deemed deputation but BSNL will make payments to the employees who are absorbed in BSNL.
Who will make the payment to the employees in case of : (i) Advance from GPF (ii) Withdrawal from GPF	SSAs/ Circles of BSNL will make the payment during a month and claim will be lodged with DOT Cells through Circle Hqrs. At the end of the month till the employees are on deemed deputation. After absorption, separate instruction will be issued.
Who will pay the following advances to the employees (on deemed deputation to BSNL): i) House Building Advance ii) Motor Car Advance iii) Scooter Advance etc.	Payment will be made to all the employees on deemed deputation by the SSAs or Circles of BSNL as was being previously done in DOT/DTS. Claims will be lodged by BSNL at the end of each month with DOT Cells at Circle Hqrs., who will reimburse the amount to BSNL from this year's allocation under the Budget of Government till 31.3.2001. However, officials who become corporate employees before 1.4.2001, shall not be eligible for payment of advances from the allocations of fund from DOT. In such a case, CGMs may approach BSNL Hq. For allocations of fund. From 1.4.2001, BSNL will pay the advances from its own funds allocated for the purpose for all including those on deemed deputation. Therefore, no claim will be lodged on DOT Cell w.e.f. 1.4.2001.

This issues with the approval of Director (Finance), BSNL, Corporate Office, Sanchar Bhawan, New Delhi – 110001.

DOT No. 7-1/2000-TA-I/21 dated 20.11.2000

Subject: Clarifications on the Functional Responsibilities of the 'DoT Cells'

It has come to the notice that DOT Cells created w.e.f. 1.10.2000 have failed to sanction and authorize in time pensionary benefits for officials who had retired on 31.10.2000. Such failures do cause financial and mental hardships to the retiring employees and need to be taken seriously. This has probably been a consequence of Circles not appreciating the underlying objective of the Cells and not implementing the orders in right earnest. Member (F) desires a report in the format at Annexure–A. A report may please be sent on the number of cases received in DOT Cell from the SSAs date of receipt, number of cases finalized through issue of authority and payment of DCRG, commuted value of pension, leave encashment, GPF final payment, accumulated CGEGIS-80 and CGEIS-77 and issue of PPO.

2. In order that DOT cells hereafter work smoothly and discharge their functions effectively, the following may please be ensured:

- i) SSAs should submit completed records to the DOT Cells through Circle, which should reach at least one month ahead of

the date of retirement in DOT Cell.

ii) Month wise list of retiring officials for at least six months should also be obtained in advance from the SSAs to do better monitoring in DOT Cells. The GM (F) will have to institute proper monitoring system in DOT Cells to see that SSAs do not make any delay in submission of the completed cases at least one month in advance of the date of retirement of an official. To ensure better control, the functional and administrative control of the DOT Cells will be with the PGM (F)/GM (F)/DGM (F)/IFA.

3. A copy of the Ministry of Finance's O.M. No.S11012/2/3(2)/DDS/97/RBD/130 dated 20.1.1997 clarifying that no commission charges are payable for drafts requisitioned by PAOs, cheque drawing DDOs is enclosed*. This will facilitate issue of demand drafts for all Government purposes including pension payment to retired employees located at different places without payment of commission charges.

* This has not been printed here, not being readily available.

ANNEXURE - A

Monthly Report Of The Dot Cell

Name of Month: _____

Name of BSNL Accounting Circle: _____

No. of cases due to be received and/ or received, of retirees in BSNL circle during the month, SSA-wise (including circle office)

	Pension PPO		Commuted value of pension		Provisional Pension		DCRG		GPF final payment		CGEGIS/ CGEIS		Leave encashment		Total
	Due	Recd	Due	Recd	Due	Recd	Due	Recd	Due	Recd	Due	Recd	Due	Recd	
1.															
2.															

No. of cases due for receipt, received and settled in DoT Cell during the month (SSA-wise) by showing the date of receipt also

Pension PPO			Commuted value of pension			Provisional Pension			DCRG			GPF final Payment			CGEGIS/ CGEIS			Leave encashment			Total
Due	Recd	Settled	Due	Recd	Settled	Due	Recd	Settled	Due	Recd	Settled	Due	Recd	Settled	Due	Recd	Settled	Due	Recd	Settled	

DOT No. 34-31/2000-SEA dated 22.01.2001

Subject: **Diversion of Clerical and Group 'D' staff working in the Pension Section to DoT Cells**

Orders have been issued vide letter No.7-1/2000-TA-I/21 dated 4.1.2001 conveying to the Circles that the SSAs will send the pension cases directly to DoT Cell of the Circle instead of routing the cases through Circle Offices.

Consequent upon the issue of the above order, it has been decided to divert all the clerical and group 'D' staff below the level of JAO/AO, along with their posts presently working in the Pension Section of the Circle Offices, to the respective DoT Cells set up vide order of even number dated 28.9.2000. The posts of CAO, AO and AAO have already been diverted to the DoT Cells vide order of even number dated 28.9.2000.

DOT No. 7-5/2000-F&A dated 22.01.2001

Subject: **Delegation of Financial Powers to the Head of the DOT Cells**

DoT Cells have been created vide OM No.34-31/2000-SEA-I Dated 28.9.2000 consequent upon the formation of Bharat Sanchar Nigam Limited w.e.f. 1.10.2000. The functions of the DOT Cells have been indicated in the said OM. The question of delegation of certain financial powers to the Head of the DOT cell has been under consideration of the Department for some time past. It has been decided to delegate the financial powers as indicated in the Annexure.

The exercise of the financial powers will be subject to all the usual conditions as laid down in the Schedule of Financial Powers of the officers of the Department of Telecommunications as well as instructions issued from time to time in regard to the specific items of expenditure. These powers cannot be further re-delegated. Further, the exercise of these powers shall be subject to availability of funds.

This has the approval of Member (Finance) Telecom Commission.

Annexure

DELEGATION OF FINANCIAL POWERS TO HEAD OF THE DOT CELL

Sl. No.	Extent of powers	Cells headed by SAG level officer	Cells headed by JAG level officer
1	Contingent Expenditure: Recurring Non Recurring	Rs. 7,500/- in each case. Rs. 75,000/- in each case.	Rs. 5,000/- in each case. Rs. 50,000/- in each case.
2	Hot and cold weather charges	Full powers	Full powers
3	Printing and binding of forms	Full powers	Full powers
4	Legal charges	Full powers	Full powers
5	Office Equipments	Full powers	Full powers
6	Purchase of computers	Rs.5 lakhs at a time; Rs. 20 lakhs p.a.	Rs. 5 lakhs at a time; Rs. 20 lakhs p.a.
7	Computer stationery	Full powers	Full powers
8	Office stationery	Full powers	Full powers
9	Maps, books & publications	Full powers	Full powers
10	Furniture and Furnishings	Full powers	Full powers
11	Liveries and Uniforms	Rs. 5 lakhs per office per annum	Rs.50,000/- per office per annum.
12	Loans and advances to staff	Full powers	Full powers
13	Honorarium	Rs.2500/- in each case	Rs. 2500/- in each case
14	Hiring of vehicles	Only one vehicle subject to maximum charges of Rs.2500/- per day.	Only one vehicle subject to maximum charges of Rs.2500/- per day.

DOT No. 34-31/2000-SEA dated 30.01.2001

Subject: Functions of DOT Cells

Detailed functions to be performed by the DOT cells was issued vide OM No.34-31/2000-SEA-I dated 28.9.2000. The functions of DOT cells now stand revised. The revised functions of the DOT cells are enclosed in Annexure-'A'.

This issues with the approval of Member (Finance).

ANNEXURE – A

1. **Pension and Retirement Benefits:** The pension cases and other retirement cases will be processed by the SSAs of the field units in BSNL sent directly to the DoT Cells. DoT Cell unit will issue PPOs and the authorities for DCRG, Commutation payment, family pension authority, authority for payment of the accumulation CGEGIS – 1980, CGEGIS – 1977 , & GPF final payment authority to those on deemed deputation to the BSNL and also for those who opt to get absorbed in BSNL. The audit of the pension vouchers will also be done by the DoT Cell unit.

2. **Pension Contribution:** Under Rule 37 A of the CCS Pension Rules the Govt. will make arrangements for the collection of Pension contributions from the BSNL for the period of service the employees render in the BSNL. This will apply not only to those officers who are working on deemed deputation basis in the Corporation but also to those employees who opt to get absorbed in the Corporation. DOT cell will undertake collection and employee wise scrutiny and monitoring of amounts received on this account from the corporation.

3. **GPF Accounting:** DoT Cell unit will maintain employee wise GPF broadsheets in respect of employees working in

BSNL. Amounts collected and amounts paid out of the GPF accounts in respect of the employees working in BSNL, will be settled and taken to the Govt. head of account through DoT Cell.

4. **Recovery and accounting for HBA and other long term advances like MCA, Scooter advance etc taken by the employees while working in the Government:** Recovery particulars in respect of such loans and advances already taken by the employees prior to corporatization will have to be intimated by the BSNL to the DOT cell and amounts adjusted through the DOT cell account.

5. **All claims of Government against the BSNL and those of the BSNL will be settled in cash.** The BSNL circle Hq will submit their claims giving full details to the DoT Cell unit. All claims will then be scrutinized and settled by the DoT Cell unit under the Govt. rules.

6. **LPCs:** On transfer of an employee from one BSNL unit to another the DOT cell will be required to workout on the basis of the LPCs outstanding balances due from / to the employee to/ from the Government and advise the respective BSNL unit appropriately. In effect the LPCs will be routed through DOT cell in the event of transfer from one BSNL unit to another BSNL unit, from DOT to BSNL, BSNL to DOT etc. to verify the correctness of entries therein.

7. **Settlement of outstanding balances under remittance and suspense head before transfer of firm figures to the balance sheet of the corporation:** This will have to be done by DOT cells in collaboration with the BSNL. There are large adverse balances in the transitory heads as on the date of formation of BSNL. This will have to be settled through active pursuit and monitoring by the accounts division of the DOT HQ and the DoT Cell with the BSNL units. Similarly, accounting under other debt, deposit and remittance heads will also have to be handled by the DoT Cell in collaboration with BSNL. In respect of debt and deposit heads, some of the transactions between BSNL, MTNL and DOT will continue for some time. As far as telephone revenue is concerned a huge amount of nearly Rs.3000 crores was outstanding as on the date of creation of the BSNL. For clearance of this amount and taking to the final revenue head of BSNL, the DOT cells will render assistance in pursual and collection.

8. **Collection of license fee in the form of revenue sharing from various operators on behalf of the Government:** This work will be done by the DoT cells. Detailed instructions and modalities related to this work will be issued by DDG (LF) DOT separately.

9. **Telecom Service Tax collection:** To ensure collection of Government dues and crediting of the same in Government account through appropriate heads, the DoT cell will also monitor/ oversee the collection of service tax from the telecom service providers.

10. **Wireless Monitoring Organization:** The budget, finance and accounting functions of the WMO will be handled in the DoT Cells.

11. **Spectrum Charges:** Realisation and accounting of revenue in the form of license fee and royalty for use of spectrum will also be handled by DoT Cell. Detailed instructions and modalities related to this work will be issued by DDG (WPF) DOT separately.

12. **To take over unused chequebooks from the circle Hq and keep them for safe custody.**

13. **Budgeting, accounting and DDO functions of DoT Cell:** The DoT Cell will also submit a monthly Circle Abstract to DOT headquarters in standard TACT package, within the 7th of each month. Detailed instructions on budgeting, accounting and DDO functions for the DoT Cell will be issued separately by DDG (Accounts) DOT.

14. Any other item assigned later on.

DOT No. 7-5/2001 F&A dated 06.02.2001

To: CMD BSNL

Consequent upon the formation of Bharat Sanchar Nigam Limited w.e.f. 1.10.2000 DoT Cells have been formed vide OM No.34-31/2000-SEA-I DATED 28.9.2000. A copy of the OM is appended.

The DoT Cells are functioning in the Circle/ Unit Hqrs of BSNL's main accounting units. In order to enable the cells to function smoothly, certain basic infrastructure is required to be provided to them. The Chairman (TC) has approved the provision of the following **facilities** to the DoT Cell.

1. Suitable office accommodation in accordance with the scale of accommodation prescribed, preferably with proximity to the Telecom Accounts Branch at Circle Headquarters.
2. Post attached quarters of appropriate type to the Head of the DoT Cell.
3. Residential accommodation to the other employees of DoT cells as per their turn in a composite waiting list to be maintained by BSNL.

4. Service telephone facilities for office as well as residence for the officers of the DoT Cell.
5. FAX connection for the DoT Cell.
6. Office furniture and computers with peripherals.

It is requested that necessary instructions may kindly be issued to the CGMs of Telecom Circles for providing these facilities to the DoT Cells.

DOT No.34-31/2000-SEA dated 27.06.2002

Subject: Change in the Nomenclature of "DoT Cell" in the Department of Telecom as "Office of Controller of Communication Accounts" and change of Designations reg.

It has been decided to change the nomenclature of the "DoT Cells" in the Department of Telecom as "Office of Controller of Communication Accounts" equivalent to the Senior Administrative Grade.

2. The offices of Controller of Communication Accounts will be part of Department of Telecom Headquarters under the overall charge of Member (Finance) Telecom Commission.

3. Officers belonging to the Junior Administrative Grade, Senior Time Scale, Junior Time Scale, Accounts Officer and Junior Accounts Officer in Indian P&T Accounts and Finance service and working in the office of Controller of Communication Accounts are designated as follows:

- JAG - Joint Controller of Communication Accounts
- STS - Deputy Controller of Communication Accounts
- JTS - Assistant Controller of Communication Accounts
- AO - Communication Accounts Officer
- JAO - Junior Communication Accounts Officer

DOT No. 33-15/2002-SEA-II dated 07.04.2003

Subject: Administrative Powers of the Head of the Office of Controller of Communication Accounts

I am directed to inform that some CCA units have sought clarification from this office on exercise of administrative powers with regard to sanction of Loans and advances, GPF, leave, Tour etc. These were under consideration of this Department for some time past. These are clarified and shown in the Annexure-I.

Controller of Communication Accounts/ Jt. Controller of Communication Accounts/ Dy. Controller of Communication Accounts wherever they are heading the unit of CCA as per the Annexure-II can exercise these administrative powers.

The exercise of the administrative powers will be subject to all the usual conditions as laid down in the manuals as well as instructions issued from time to time.

This issues with the approval of Member (F) Telecom Commission.

ANNEXURE-I

Sl. No.	Items	Extent of Powers	Remarks
1	Sanction of Leave (except Study leave)	Full powers	The cases pertaining to Heads of CCA will be dealt in DOT Hqrs.
2	Approval of Tour programme (within India)	Full powers	The cases pertaining to Heads of CCA will be dealt in DOT Hqrs.
3	Grant of TA advance and passing TA bills of the subordinate staff	Full powers	Heads of CCA can also draw TA advance for themselves , Pass the TA Bill, once the Tour is approved by the DOT, Hq.
4	Sanction of Loans and Advances	Full powers	The cases pertaining to Heads of CCA will be dealt in DOT Hqrs.
5	GPF Advance/ withdrawal	Full powers	The cases pertaining to Heads of CCA will be dealt in DOT Hqrs.
6	Medical Advance/ settlement of bills	Full powers	The cases pertaining to Heads of CCA will be dealt in DOT Hqrs.
7	Activities requiring permission under Conduct Rules, 1964 in respect of subordinate staff	Full powers	The cases pertaining to Heads of CCA will be dealt in DOT Hqrs.
8	Issue of NOC for obtaining passport	Full powers up to Gr. B grade.	The cases pertaining to all Gr. A officers will be dealt in DOT Hqrs.
9	Issue of NOC for going abroad	No powers	All cases will be dealt in DOT Hqrs.
10	Disciplinary proceedings under CCS (CCA)	No powers	All disciplinary cases will be decided in DOT Hqrs.

	Rules		
11	Legal representative	Powers as defined in P&T Manual Vol. II	
12	Sanction of service phone connection including mobile phones.	Full powers	Sanctions can be issued subject to instructions issued by the Department of Telecom

NOTE: The exercise of the above administrative powers are subject to the conditions laid down in various manuals and instructions issued from the Government time to time.

ANNEXURE-II**OFFICES OF CONTROLLER OF COMMUNICATION ACCOUNTS****(i) CCA Offices headed by SAG officers**

1. Northern Telecom Region
2. Andhra Pradesh Telecom Circle
3. Gujarat Telecom Circle
4. Karnataka Telecom Circle (Dual)
5. Kerala Telecom Circle (Dual)
6. Madhya Pradesh Telecom Circle (Dual)
7. Maharashtra Telecom Circle
8. Rajasthan Telecom Circle (Dual)
9. Tamil Nadu Telecom Circle
10. Uttar Pradesh (West) Telecom Circle (Dual)
11. West Bengal Telecom Circle (Dual)
12. Kolkata TD (Dual)

(ii) CCA Offices headed by JAG officers

1. Assam Telecom Circle
2. Bihar Telecom Circle
3. Chhatisgarh Telecom Circle
4. Haryana Telecom Circle
5. Himachal Telecom Circle
6. J & K Telecom Circle
7. Jharkhand Telecom Circle
8. North East – I Telecom Circle
9. North East – II Telecom Circle
10. Orissa Telecom Circle
11. Punjab Telecom Circle
12. Uttar Pradesh (East) Telecom Circle
13. Uttaranchal Telecom Circle

(iii) CCA Offices headed by STS officers.

1. A & N Telecom Circle.

DOT No. 7-5/2000-Fin dated 22.12.2003**Subject: Enhanced Financial Powers to the Head of the Office of CCA/ Jt. CCA**

In continuation of this office OM No.7-5/2000- F&A dated 22.1.2001, and representations received from O/o CCAs/ Jt. CCAs the Member (Finance) Telecom Commission has approved the following additional/ modified financial powers for head of the office of CCA/ Jt. CCA.

Sl. No.	Nature of Power	Existing Financial Powers	Enhanced Financial Powers
1	Hiring of vehicles	Only one vehicle subject to a maximum charge of Rs.2500/- per day.	Maximum charges of Rs.2500/- per day.
2	Computer – training for officers/ officials borne on DOT strength	NIL	Rs.2500/- in each case
3	Working lunch/ Light refreshment	NIL	Rs.50/- only per head (on holding of meetings with other organization/ operators in connection with inter-organizational transactions)

The exercise of the financial powers will be subject to all the usual conditions as laid down in the Schedule of Financial Powers of the officers of the Department of Telecommunications as well as instructions issued from time to time in regard to the specific items of expenditure. These powers cannot be further re-delegated. Further, the exercise of these powers shall be subject to availability of funds.

This has the approval of Member (Finance) Telecom Commission.

DOT No. 33-15/2002-SEA-II dated 05.02.2004

Subject: Delegation of Administrative Powers to the Heads of Offices of Controller of Communication Accounts regarding appointment of JAOs, Group 'C' & 'D' Staff on Deputation Basis

This office has received a number of references from the CCA Heads for providing adequate number of staff in the above cadres for smooth functioning of the concerned CCA offices, in view of the fact that some additional items of work like Collection of License fee and Service Tax, Spectrum Charges and USO functions etc. have been assigned to the CCA offices. In this regard, it has also been suggested by some CCA Heads to allow them to make efforts for filling up the vacant posts from among the employees working in the local Central Govt. Departments and the Departments of State Government/Autonomous Bodies.

Keeping in view the poor response from the Central Govt. Ministries/ Departments to our calls regarding filling up of vacancies in the CCA offices on deputation basis, and the problems being currently faced by the CCA offices due to inadequate staff, the competent authority has decided to delegate the administrative powers to the CCA Heads regarding appointment of JAOs, Group 'C' and 'D' staff for their respective offices against the sanctioned posts as per eligibility conditions given in the annexure, from among the staff of Central Govt. Ministries/ Departments and the Departments of State Government/Autonomous Bodies on deputation basis.

The CCA Heads are, however, requested to forward the cases relating to appointment of JAOs on deputation basis to this office for necessary approval before their appointment. In case of Group 'C' and 'D' staff, such appointments may be made directly by them at their own level with an intimation to this office.

ANNEXURE

Eligibility conditions for appointment of JAOs on deputation basis

1.	Name of Post	Junior Accounts Officer (P&T Accounts and Finance Service, Telecom Wing) in the Offices of Controller of Communication Accounts under the Department of Telecom.
2.	Scale of Pay	Rs. 6500-200-10500
3.	Eligibility	(a) Officers working under the Central/ State Govt. and Autonomous Bodies (i) Holding analogous posts of JAOs on regular basis; or (ii) Jr./ Sr. Accountants, Clerks/ PAs who have qualified in both Part-I and II of JAO Postal Exam with 5 years regular service in the cadre as on 01.01.2004 or (iii) Possessing the qualification of passing the SAS or Equivalent examination conducted by any of the Organized Accounts, Deptt. Of Central State Govt. and Autonomous Bodies. (b) The maximum age limit for appointment on deputation shall not exceed 56 years as on the closing date of receipt of applications.
4.	Duration	Period of deputation will initially be for a period of one year and likely to be extended for a period of three years.

Eligibility Conditions for Appointment of Group 'C' (Junior Accountant & Senior Accountant) on Deputation Basis

1.	Name of Post	Junior Accountant & Senior Accountant in the Offices of Controller of Communication Accounts under the Department of Telecom.
2.	Scale of Pay	Junior Accountant Rs.4500-125-7000 Senior Accountant Rs.5500-175-9000
3.	Eligibility	Officers holding analogous posts in Group 'C' in Central/ State Govt.'s Ministries/ Departments and Autonomous Bodies, who have completed 3 years of service and are having overall good performance.
4.	Duration	Initially for a period of two years and can be extended upto three years

Eligibility Conditions for Appointment of Group 'D' on Deputation Basis

The officials to be taken on deputation should be permanent employee of the respective Organization/ Department with three years service.

DOT No. 33-15/2002-SEA-II dated 06.02.2004

Subject: Delegation of Administrative Powers to the Heads of Offices of Controller of Communication Accounts regarding Local Tours

The question of delegation of additional administrative powers to the Heads of Offices of Controller of Communication Accounts in connection with the local tours and journeys performed by them has been under consideration of this office for quite some time.

It has now been decided to delegate additional administrative powers in this regard to Heads of Offices of Controller of Communication Accounts, in continuation with the powers already delegated vide this office letter of even no. dated 7.4.2003.

Under these additional delegated administrative powers, the Heads of Offices of Controller of Communication Accounts will be their own controlling officers with regard to the sanction/ approval of local journeys and tours performed by them within the territorial jurisdiction of the corresponding BSNL Circle in which the CCA office is located.

These orders have the immediate effect and are issued with the approval of Member (Finance) Telecom Commission.

DOT No. 33-15/2002/SEA-II dated 27.05.2004

Subject: Delegation of Administrative Powers to the Heads of the Offices of Controller of Communication Accounts regarding appointment of JAOs, Group 'C' and 'D' Staff on Deputation basis – reg.

In partial modification of this office O.M. of even number dated 5.2.2004 on the subject cited above and to say that the eligibility conditions for appointment of Group 'C' (Junior Accountant & Senior Accountant) on deputation basis as prescribed in the annexure to the O.M. under reference may be read as follows:

Sl. No.	Name of the Post	Pay Scale (Rs.)	Eligibility Conditions
1.	Junior Accountant	4500-125-7000	(i) Officials holding analogous posts in State/ Central Govt.'s; or (ii) LDC with 3 years of regular service and having overall good performance
2.	Senior Accountant	5500-175-9000	(i) Officials holding analogous posts in State/ Central Govt.'s; or (ii) UDC with 3 years of regular service and having overall good performance

The period of deputation will be initially for a period of 2 years, and can be extended from time to time.

This issues with the approval of Member (Finance), Telecom Commission.

DOT No. 7-5/2000-Fin dated 23.08.2004

Subject: Delegation of Financial Powers to CCA/ Jt. CCA

A reference is invited to this office OM No.7-5/2001-F&A dated 22.1.2001 regarding delegation of financial powers to the Heads of DOT Cells.

Powers have been delegated to the DOT Cells at Sr. No. 6 of the Annexure to the letter cited above for purchase of Computers. It is clarified that "Purchase of Computers" includes software and hardware. Accordingly these powers can be exercised by the Heads of DOT Cells for purchase of software also. The existing financial powers delegated to the CCAs/ Jt. CCAs for purchase of computers including software and hardware remain unchanged.

M (F) D.O. No. 7-7/2000-F&A(Pt.) dated 06.12.2004 to CMD BSNL
(Circulated vide No. 7-5/2000- Finance (Pt.) dated 12.01.2005)

Subject: Accommodation for CCA Offices in Departmentally Owned Buildings by BSNL

As you are aware that the CCA offices are functioning at the field level co-terminus with the BSNL offices and are disbursing pension, settling other retirement benefits, General Provident Fund, CGEGIS etc. of the BSNL employees amongst other delegated works. Vide DOT OM No.7-5/2001-F&A dated 6th February 2001, CMD, BSNL was requested to provide suitable office accommodation & other infrastructural facilities for the offices of CCA. While in some circles like Rajasthan, Maharashtra and West Bengal, good progress has been made, it is regretfully noticed that the progress is highly unsatisfactory in other circles even four years after the issuance of such orders. Numerous correspondences and a number of meetings have been held with your officers even at the field level. Perhaps, the head of territorial BSNL Circles have failed to appreciate the importance of these offices in fulfilling Government commitment towards the BSNL and its employees.

CCAs, apart from handling pension related work of employees absorbed in BSNL are also discharging important duties like collection of license fee and spectrum charges and disbursement of universal service subsidy. The performance of these tasks requires close cooperation from the BSNL. It is, therefore, essential that CCAs/ Jt. CCAs offices are housed in close proximity to BSNL. It was in this light that BSNL was asked to provide space for the CCAs in departmentally owned buildings. Unfortunately, the issue has been handled at the circle level in a casual manner, despite efforts made by the CCAs/Jt. CCAs. In most cases, either no space or highly inadequate space has been provided. As a result, the work of the CCAs has been badly affected.

May I request you to bestow your personal attention and direct the CGMs of all circles to allot office space of approximately 10000 sq. feet in a departmental building near BSNL circle office to the CCAs? The possibility of utilizing DTO/CTO buildings for the purpose may also be explored.

I would be grateful for a line of reply indicating the action plan to overcome this problem. I am sure with your personal interest we would be able to resolve the problem to great extent. I am deeply concerned as this grievance is aired by most of the CCAs during my interaction with them.

DOT No. 33-15/2002-SEA-II dated 19.07.2005

Subject: Delegation of Administrative Powers to the Heads of Offices of Controller of Communication Accounts for Medical/ GPF advances - reg.

References have been received in this office to delegate powers to the Heads of CCAs in respect of sanctioning medical advances and GPF advances to themselves as Head of Office.

2. The matter has been examined in this office. In continuation of this office O.M. of even number dated 7.4.2003, it has been decided to delegate the following administrative powers to the Heads of CCAs in respect of sanctioning of medical/ GPF advances, to themselves as Head of office:

Sl. No.	Items	Extent of Power	Remarks
1.	GPF advance	Full powers	The case regarding GPF withdrawal will be dealt in DOT Headquarters.
2.	Medical Advance	Upto Rs.10,000/- in each case	The case regarding settlement of Medical Bills will be dealt in DOT Headquarters.

3. The exercise of administrative powers will be subject to all the usual conditions as laid down in the Manuals as well as instructions issued from time to time.

4. This issues with the approval of Member (F), Telecom Commission.

DOT No. 7-5/2001 F&A (Pt.) dated 12.01.2006

The following rates for the purchase of Brief case/ Lady's purse to the officers/ officials posted in the office of CCAs has been approved by the competent authority.

The entitlement and revised periodicity for the purchase of Brief case/ Lady's purse is as follows:

Sl. No.	Designation	Amount approved	Periodicity
1.	Comm. Accounts Officer	Rs.700/-	3 years
2.	Dy. CCA	Rs.1000/-	3 years

3.	Jt. CCA	Rs.1800/-	3 years
4.	CCA	Rs.2500/-	3 years
5.	Sr. CCA	Rs.3500/-	3 years

The entitled officers/ officials of the O/o CCAs shall hence forth be free to procure Brief case/ Lady's Purse of their own choice from any of the private/ public outlet. However, the reimbursement of all purchases shall be limited to the above approved rates shown against their designation.

DOT No. 33-31/2005-SEA-I dated 13.01.2006

Subject: Inclusion of Name of Office of Controller of Communication Accounts in the list of eligible Offices for Allotment of Government Residential Accommodation -reg.

The undersigned is directed to state that the Directorate of Estates, Ministry of Urban Development has been allotting the General Pool Government Residential accommodation in the area wherever the General Pool Government Residential accommodation exists. In this connection, the Directorate of Estates has required the following information. The same may be furnished to the undersigned immediately.

1. Whether the office will be within the municipal limits of the city or the town.
2. The total sanctioned strength of the office bifurcating the each posts separately.
3. Whether the officers and staff are eligible for any other residential accommodation from any other pool.

It may also be confirmed whether the General Pool Government Residential accommodation exists in the municipal limits of the city or the town. On receipt of the requisite information, the case for allotment General Pool Government Residential accommodation may be taken with the Directorate of Estates, Ministry of Urban Development, Nirman Bhavan, New Delhi.

DOT No. 7-5/2000-Fin dated 27.12.2004

Subject: Delegation of Financial Powers to CCAs and Jt. CCAs

A reference is invited to OM No.7-5/2000-F&A dated 22.1.2001 and modifications dated 22nd December 2003 and 23rd August, 2004 on the above subject. The CCA officers have been requesting for re-delegation of financial powers to subordinate functionaries.

The matter has been examined in detail and it has been decided that where both CCA and Jt. CCA(s) are in position, CCA can re-delegate his power to Jt. CCA(s) to the maximum extent mentioned below: This issues with the approval of Member (Finance)

- | | |
|---------------------------|-------------------------|
| 1. Contingent Expenditure | |
| Recurring | Rs.1,000 in each case. |
| Non - Recurring | Rs.10,000 in each case. |
| 2. Office Stationery | Rs.10,000 p.a. |

DOT No. 7-5/2001 F&A dated 12.01.2005

Subject: Delegation of Financial Powers to CCAs and Jt. CCAs

CCA offices have been requesting to enhance the financial powers delegated to them for imparting computer training to the officers working in their offices. The matter was examined and it has been decided to enhance the financial powers delegated to CCAs and Jt. CCAs to Rs.10,000/- under training in each case from the existing Rs.2,500/- in each case.

This issues with the approval of Member (Finance).

DOT No. 7-5/2001-F&A dated 13.06.2005

Subject: Financial Powers to Dy. CCA

The issue of delegation of certain financial powers to the the Dy. CCA, who is a STS level officer and heading the DOT cell at

Andaman and Nicobar Islands, has been under consideration of the Department and it has been decided to delegate the financial powers as enclosed in the Annexure to enable smooth functioning of the DOT cell.

The exercise of the financial powers will be subject to all the usual conditions as laid down in the Schedule of Financial Powers of the officers of the Department of Telecommunications as well as instructions issued from time to time in regard to the specific items of expenditure. These powers cannot be further re-delegated. Further, the exercise of these powers shall be subject to availability of funds.

This has the approval of Member (Finance) Telecom Commission.

Annexure

Sl. No.	Extent of powers	Cell headed by STS level officer
1	Recurring Non Recurring	Rs. 5,000/- in each case Rs. 50,000/- in each case
2	Hot and cold weather charges	Full powers
3	Printing and binding of forms	Full powers
4	Legal charges	Full powers
5	Office Equipments	Full powers
6	Purchase of computers	Rs.5 lakhs at a time and Rs. 20 lakhs p.a.
7	Computer stationery	Full powers
8	Office stationery	Full powers
9	Maps, books & publications	Full powers
10	Furniture and Furnishings	Full powers
11	Liveries and Uniforms	Rs. 50,000/- per office per annum
12	Loans and advances to staff	Full powers
13	Hiring of vehicle.	Only one vehicle with a daily ceiling of Rs.1500/- per day.

The cases relating to Honorarium will be referred to DOT for scrutiny and sanction.

DOT No. 7-7/2005/Fin dated 05.10.2005

Subject: Constitution of Local Purchase Committee and Tender Evaluation Committee

As per the new GFR 2005, all the purchases for day-to-day requirement of office beyond Rs.15,000 are to be purchased either through a Local Purchase Committee or through the procedure of tender as the case may be. The constitution of Local Purchase Committee and Tender Evaluation Committees are to be constituted in the CCA offices only with the following officers as laid down under Rule 146 of General Financial Rules 2005.

The Local Purchase Committee and Tender Evaluation Committees (as the case may be) to be constituted in the CCA offices would be as follows:

Chairman	JAG level officer in the offices headed by SAG level officer and STS level officer in the case of offices headed by JAG level officer.
Member (first)	STS level; JTS level officer
Member (second)	Group 'B' level officer

There will be a technical member in the case of procurement of IT related items. The technical member can be got nominated from local NIC after writing to them about the detail of procurement. Local NIC may be requested for co-opting a technical member. The receipt of this letter may kindly be acknowledged.

DOT No. 7-5/2000-Fin. dated 27.04.2006**Subject: Hiring of Vehicles**

Financial powers for the hiring of vehicles have been delegated to all CCAs/ JtCCAs vide O.M. no. 7-5/2000-F&A dated 20.1.2001 and further modified from time to time for the smooth functioning of CCA offices. The powers have been delegated for hiring of vehicles to ensure that the work of CCA offices is not hampered for want of vehicles. However, the exercise of financial powers is subject to the extant rules on the subject and instructions issued on the same from time to time.

Recently, Ministry of Finance, vide their O.M. No.7-2/E-Coord/2005 dated 23rd November, 2005 has laid down that expenditure on hiring of vehicles should be restricted to an average of actual expenditure incurred during the past 3 years. All concerned are directed to follow the instructions without fail.

DOT No. 7-5/2001 F&A(Pt) dated 31.07.2006**Subject: Enhancing the Ceiling for Purchase/ Reimbursement of Brief case/ Lady's Purse**

The following revised rates for the purchase of Brief case/ Lady's Purse to the officers/ officials posted in the O/o CCAs has been approved by the competent authority.

Sl. No.	Level of Officers	Old Rate	Revised Rate
1.	Additional Secretary/ Advisers or equivalent	Rs.3500/-	Rs.5500/-
2.	Joint Secretary/ DDGs or equivalent	Rs.2500/-	Rs.4500/-
3.	Dy. Secretary/Director or equivalent	Rs.1800/-	Rs.3400/-
4.	US/ Deputy Director/ Sr.Analyst/ PPS or equivalent	Rs.1000/-	Rs.2400/-
5.	SO/ PS/ Jr.Analyst or equivalent	Rs.700/-	Rs.1400/-

The entitled Officers/Officials of O/o CCAs can procure Brief case/ Lady's Purse of their own choice from any of the private/public outlet. However, the reimbursement of all purchases shall be limited to the approved rates shown as above against their designation/ its equivalent.

The periodicity of replacement shall continue to be 3 years across all categories. The above ceiling is effective from 29-6-2006 and shall be valid for a period of 3 years.

DOT No. 8-2/2005-Trg.Fin dated 18.08.2006**Subject: Nomination of Head of Offices of CCAs for Training at ALTTC**

The issue regarding nomination of Head of Offices of Controller of Communication Accounts for various training courses at ALTTC, Ghaziabad has been reviewed by this office.

The letter issued vide no.33-15/2005-SEA(Pt) dated 15.2.2005 is hereby enclosed for compliance by all concerned officers. In case, the Head of Offices are interested to participate in any such training programs themselves, they may forward their proposal alongwith their service/ training profile in advance for approval of nomination as well as tour program by this office. These instructions may be strictly followed.

Enclosure**DOT No. 33-15/2005-SEA(Pt) dated 15.02.2005****Subject: Authorizing the Heads of the Offices of Controller of Communication Accounts for nomination of their subordinate officers/officials for In-service Training at ALTTC, Ghaziabad-reg.**

References have been received in this office as to whether the Controller of Communication Accounts can nominate the officials under their control to undergo different training at ALTTC, Ghaziabad, and in other departmental training centres.

2. The matter has been examined in this office and as per the decisions taken by the competent authority, offices of Controller of Communication Accounts headed by SAG officers are authorized to nominate officers upto the level of JAG, and the offices of CCAs headed by JAG are authorized to nominate officers upto the level of STS for all training at ALTTC, Ghaziabad for such courses as are useful/ relevant.

DOT O.M.No. 33-15/2002-SEA-II dated 07.09.2006

Addressed to all Heads of Offices of CCAs

Subject: Delegation of Administrative Powers to the Heads of the Offices of Controller of Communications Accounts regarding Appointment of JAOs on Deputation Basis

This is in continuation of this office OM of even number dated 5th February 2004 on the above subject wherein administrative powers were delegated to CCAs for appointment of JAOs on deputation basis in their office.

The matter regarding simplifying the procedure for the appointment of JAOs in CCA offices on deputation basis had been under active consideration in this office for quite some time. Now the competent authority has decided that Controller of Communications Accounts will scrutinize all the applications received for appointment of JAO on deputation basis at their end against the circular/ advertisement issued by them and forward the select panel according to the number of existing vacancies in their offices, of eligible officials strictly as per their seniority viz. year of passing of JAO/ SAS exam with their rank or regular appointment in the said cadre in their parent department. The select panel should have the recommendations/ certifications of the CCA.

While forwarding the select panel, the copy of the advertisement/ circular issued, the application in the enclosed proforma, full particulars of applicants and ACRs grading for the last five years as per enclosed proforma may also be sent to this office for necessary approval for their appointment. The applicants having minimum bench mark of "GOOD" in ACR should only be considered on the select panel. The attested copies of ACRs of the officials need not be forwarded to DOT HQ. However, while processing the cases for consideration 20% reserve may be added in the select panel.

(M.P. Pandey)
ADG (SEA-II)

Proforma

Detailed Particulars of the Applicant for the Post of Junior Accounts Officer

Sl. No.	Name of the officer	Date of Birth/ age	SC/ ST	Educ. Quali- fication	Post held in parent dept on regular basis	Parent Deptt.	Year of passing JAO Exam	ACR Gradings for the Last Five Years					Vigilance Status	Remarks
								1	2	3	4	5		

No. 33-1/2006-SEA-1 dated 09.03.2007

Subject: Appointment of CPIOs in the Offices of CCAs under Right to Information Act

As per the provisions of Section 5(1) of the Right to Information Act, 2005 the following officers in the offices of Controller of Communication Accounts, Department of Telecom., are hereby designated as Central Public Information Officers (CPIOs) and Departmental Appellate Authorities (DAA) to deal with cases arising under the Act. The Officers named in Annexure-1 from Serial No.1 to 26 are hereby designated as CPIOs/ DAAs.

1. In offices headed by CCAs. the Jt. CCAs are nominated as the CPIO. The DAA in these offices would be the CCA.
2. In Offices headed by Joint CCAs the Deputy CCA would be the CPIO. The DAA would be the Joint CCA.
3. In case of requests involving more than one CCA, the originating unit may handle the request in co-ordination with the other CCA units.
4. For cases relating to policy decisions or concerning the Department as a whole the Head of office in the CCA must ensure that the cases are forwarded to the CPIO in DOT headquarter within 5 days of their receipt, under intimation to the applicant.
5. The fee of Rs.10 may be charged for request made and additional fee for information provided as per provisions of Govt. of India notification No.34012/8(S)/2005 Estt.(B) dated 16.9.2005 and the receipts may be booked under the following Head of Account- 127500800 - other receipts.

This issues with the approval of the competent authority.

End: as above

Annexure-I

Sl. No.	Office	CPIO S/ Shri/ Smt.	Departmental Appellate Authority S/ Shri/ Smt.
1.	CCA. Andaman & Nicobar Telecom Circle, DTO Building (1 st Floor), Middle Point, Port Blair, South Andaman-744101.	Sh. T.M. Antony, Dy.CCA Phone: 231073 Fax: 241374	Ms. Madhavi Das, Director (SEA) Phone: 23036728 Fax: 23358760

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2.	CCA, Andhra Pradesh., 3 rd Floor Triveni Complex, Abids, Hyderabad-500001.	Sh. S.L. Bhalotia, Jt.CCA Phone: 24766366 Fax: 24762666	Sh. C.Laxmi Narasamma, CCA Phone: 24760556, 24760557 Fax: 24761445, 24762666
3.	CCA, Assam; 5 th Floor, New Admin. Bldg., BSNL Complex, Pan Bazar, Guwahati-781001.	Sh. Abdul Hamid, Dy.CCA Phone: 2456406 Fax: 2456997	Sh. Sachidanand Prasad, Jt.CCA Phone: 2462139 Fax: 2462138
4.	CCA, Bihar, 2nd Floor CTO Annexe Building, Budh Marg, Patna- 800001.	Sh. Ashok Kumar, Jt.CCA Phone: 2213123 Fax: 2213122	Sh. B.P.Singh, CCA Phone: 2223508 Fax: 2213122
5.	CCA, Chhatisgarh, Room No. 405, Door Sanchar Bhawan, G.E. Road , Raipur-492001	Sh. T. Sridhar, Dy.CCA Phone: 2535115 Fax: 2535155	Sh. Chittaranjan Pradhan, Jt. CCA Phone: 2534100 Fax: 2535155
6.	CCA, Delhi DTO Building, Prasad Nagar, New Delhi-110005	Md. Shahbaz Ali, Jt.CCA Phone: 25730060 Fax: 25729703	Sh. O.P. Veer, Sr.CCA Phone: 25736566 Fax: 25745258
7.	CCA, Gujarat, 7th Floor, P&T Administrative Bldg. Opp. Khanpur, Ahmedabad-380001	Sh. Kamal Kapoor, Jt.CCA Phone: 25500397 Fax: 25510697	Sh. Gopal H. Joshi, CCA Phone: 25500886 Fax: 25510697
8.	CCA, Haryana Circle, 107, Mall Road, Ambala Cantt. 133001	Sh.Jaspal Bhardwaj, Dy. CCA Phone: 2688825 Fax: 2603435	Ms. Archana Gulati, Jt. CCA Phone: 2603899, 2688438 Fax: 2603435
9.	CCA, Himachal Pradesh Telecom Circle, Block No. 18, A, SDA Complex, Kasumpti, Shimla 171009 HP	Sh. Upendra Dutta, CAO Phone: 2622318 Fax: 2627414	Sh. R.L.Jakhu, Jt. CCA Phone: 2624400 Fax: 2627685
10.	CCA, Jammu & Kashmir, Room No. 316, North Block, Bahu Plaza, Railway Head Complex, Jammu Tawi-180012	Sh. Dev Raj Sharma, Sr. CAO Phone: Fax:	Sh. Amit Sharma, Jt. CCA Phone: 2477299 Fax: 2477296
11.	CCA, Jharkhand, 3rd Floor. Telephone Bhawan, Near Albert Ekka Chowk, Ranchi-834001	Sh. Sangeet Kumar, Dy.CCA Phone: 2210028 Fax: 2211327	Sh. Sanjivan Sinha, Jt. CCA Phone: 2211385 Fax: 2211386
12.	CCA, Karnataka II Floor, Amenity Block, CMX Compound, Palace Road, Bangalore-560001	Sh.R. Niranjana, Jt.CCA Phone: 22355895 Fax: 22201104	Ms. Geetha Paul,CCA Phone: 22206488 Fax: 22350604
13.	CCA, Kerala Room No. 524, 5th Floor, Doorsanchar Bhawan, PMG, Junction, Vikas Bhawan, Trivendrum-695033	Sh. Rajesh Kachhap, Jt.CCA Phone: 2302351, 2523660 Fax: 2302357	Sh. G.K. Padhy, CCA Phone: 2304700, 2523132 Fax: 2304702
14.	CCA, Kolkata Martin Bum House, 2nd Floor, I.R.N., Mukherjee Road, Kolkata-700001	Ms.Snigdha Dora, Jt.CCA Phone: 2438507,22438509 Fax: 22313538	Sh. D.R. Nongrum, Sr. CCA Phone: 22138820, 22138821
15.	CCA, Madhya Pradesh 2nd Floor, BSNL Bhawan, Bhopal-462012	Ms.Aparajita Atique, Jt.CCA Phone: 2576777 Fax: 2574777	Sh. P.K. Sinha, CCA, Phone: 2765466,2766555
16.	CCA, Maharashtra, C -Wing, 3 rd Floor, Administrative Building, Juhu Danda, Telecom Complex, Juhu Danda Road Santacruz (West) Mumbai- 400054	Sh. Manish Pathak, Jt.CCA Phone: 26607033, 26612560 Fax: 26607032	Sh. S.C. Johorey, CCA Phone: 26607030, 26612550 Fax: 26607032, , 26607035
17.	CCA, North East-1, O/o CGM Telecom, CTO Building, 2 nd floor (Room No. 318) Shillong-793001	Sh.S.H. Sohliya, Dy.CCA Phone: 2504367 Fax: 2227911	Sh. D. Valte, Jt.CCA Phone: 2501010 Fax: 2222200
18.	CCA, North East-II, Microwave Exchange Building, CGM Office, NE-II Telecom Circle, Dimapur-797112	Ms. Sheena Sandhu, Dy.CCA Phone: 234747, 226226 Fax: 226300, 233300	Sh. Satish Chandra Jha, Jt.CCA Phone: 234747, 226226 Fax: 226300 233300
19.	CCA, Orissa, 4 th Floor, CPMG Building, Bhubneshwar-751001	Sh. K.N. Jha, Jt.CCA Phone: 2534005 Fax: 2530424	Sh. K. Panda, CCA Phone: 2391644 Fax: 2392646
20.	CCA, Punjab Telecom Circle, Plot No.2, 1 st Floor, Sector 34-A, Chandigarh.	Sh. A.K. Zakhmi, Dy.CCA Phone: 2666849 Fax: 2666825	Sh. Rakesh Gupta, Jt.CCA Phone: 2666311 Fax: 2647986
21.	CCA, Rajasthan Telecom Circle, Sanchar Lekha Bhawan, Near RTO Office, Jhalna Doongari, Jaipur- 302009.	Sh. Manish Sinha, Jt.CCA Phone: 2706282 Fax: 2700046	Sh. Gurmel Singh, CCA Phone: 2701819 Fax: 2376700
22.	CCA, Tamil Nadu Telecom Circle, 80-Annasalai, Chennai-600002. and O/o CCA 47, Armanian Street, Chennai-	Ms. Jane Prasad, Jt.CCA Phone: 28518586 Fax: 28518586, 28585377	Sh. G. Alagarsamy, CCA Phone: 28411112, 28567240

	600001.		Fax: 28414545
23.	CCA, U.P. (East), Bhopal House, Lalbagh, Lucknow-226001	Ms. Urmimala Singh, Jt.CCA Phone: 2628385 Fax: 2621190	Sh. S.P. Zaheer, CCA Phone: 2629063 Fax: 2628240
24.	CCA, U.P. (West), 3 rd Floor, Brahampuri; Telephone Exchange Building, Delhi Road, Meerut-250002.	Sh. Vinod Kumar, Jt.CCA Phone: 2400830 Fax: 2400844	Sh. Dilip Padhye, CCA Phone: 2402000 Fax: 2600061
25.	CCA, Uttaranchal Telecom Circle, 56, Subhash Road, Dehradun-248001.	Sh. Kishan Swaroop, (Dy.CCA) Phone: 2713747 Fax: 2714588	Sh. AS. Pathak, Jt.CCA Phone: 2714933 Fax: 2714588
26.	CCA, West Bengal Circle, Telegraph Check Office, 1st Floor, 33, BBD Bag (South), Kolkata.-700001.	Sh. D. Turwar, Jt.CCA Phone: 22137043 Fax: 22137044	Sh. Gin Khan Chin, CCA Phone: 22135317 Fax: 22135318

DOT No. 7-5/2007-Fin. dated 10.09.2007

Subject: Permanent Advance for (sic) Contingent Nature to CCA Cells

The grant of permanent advance to the Heads of CCAs for meeting the emergent expenditure of contingent nature for smooth functioning of the office has been under consideration for some time. It has been decided by the competent authority to authorize the Heads of CCAs to hold an amount of Rs. 2000/- (Rs. two thousand only) as permanent advance for meeting the contingent expenditure within the ambit of Rule 342 of FHB Vol-I. Utilization of this advance is subject to observance of the provision contained in Rule 343 of FHB Vol.-I and any other rules, orders, instructions and procedures issued by Government from time to time.

DOT O.M. No. 54-1/2004-SEA-II dated 12.09.2007
Addressed to all Heads of CCAs

Subject: Delegation of Administrative Powers to the Heads of the Offices of CCAs; Regarding

Orders issued vide this office O.M No. 33-15/2002-SEA-II dated 07.9.06 (copy enclosed)[@] on the above subject are hereby reiterated wherein administrative powers were delegated to the appointment of JAOs on deputation basis in CCA Offices.

In case of JAO/ AAO/ AO/ Sr.AO on deputation to DOT, it has come to the notice of this Department that some of the CCAs are not referring cases relating to extension of proforma promotion and repatriation to the DOT Headquarters and are themselves taking a decision this regard without the approval of DOT Headquarters. Kindly note that the CCAs have not been delegated the powers in this regard and these powers vest on with the Member (F), Telecom Commission, being the cadre controlling authority.

The above action taken by the CCAs at their own level and without referring the case to DOT HQ for extending the benefit of proforma promotion or repatriation in respect of JAOs/ AAO/ AO/ Sr.AO on deputation from other departments have been viewed seriously by this Department. In order to avoid recurrence of the situation, it is requested that in future, all such cases involving extension of proforma promotion and repatriation in respect of JAOs/ AAO/ AO/ Sr.AO may necessarily be forwarded to DOT Headquarters, well before time for taking necessary action.

(Irene Cherian)
Under Secretary

@: Printed earlier.

D. Circulars & Orders from Accounts Branch

DOT No. 7-1/2000-TA-I/22 dated 04.12.2000

Subject: Accounting Procedure to be followed in BSNL/ DOT Cell Unit

With the formation of Bharat Sanchar Nigam Limited, following conversion of the erstwhile Department of Telecom Services (DTS) and Department of Telecom Operations (DTO) with effect from 1.10.2000, there was an imperative need to have a separate Cell to deal with the residual items of work relating to the above said Government Departments and accordingly, it was decided to create DoT Cell Unit at each Telecom Circle Accounting Unit. Separate orders have been issued by SEA

Section of Telecom Directorate setting up and stipulating the composition of the DoT Cell Units.

It, therefore, has become necessary to define the accounting functions to be carried out by the Telecom Accounts Sections under BSNL and DoT Cell Units. The functions to be followed in BSNL/ Dot Cell Unit are as under:

1. Settlement of Remittance Transactions:

(a) Different Circle:

The debits/ credits raised by various Telecom Circle accounting Units against each other in respect of transactions that had occurred up to and inclusive of 30.9.2000 and outstanding as on 30.9.2000, should be settled latest by 31.12.2000 and no ATD/ ATC should be left pending for adjustment thereafter. It will be the personal responsibility of the circle IFA concerned to ensure that all the ATDs/ ATCs are adjusted on or before 31.12.2000. Acceptance of these ATDs/ ATCs will be taken in DoT accounts to be submitted monthly as Circle Abstract (Cash & Stores) by the BSNL Circle Accounting Unit based on the CAC of SSAs / PAUs.

(b) Same Circle:

The debits/ credits raised by various SSAs/ PAUs in the same circle against each other including circle Telecom Accounting Unit in respect of transactions that had occurred up to and inclusive of 30.9.2000 should be settled by 31.12.2000 and no ATD / ATC should be left pending for adjustment. It will be the personal responsibility of the Head of the Unit concerned to ensure that all the ATDs/ ATCs are adjusted positively on or before 31.12.2000 and nothing is kept pending. Acceptance of these ATDs/ ATCs will be taken in DoT accounts to be submitted monthly as Circle Abstract (Cash & Stores) by the BSNL Circle Accounting Unit based on the CAC of SSAs/ PAUs.

2. GPF, Long/ Short Term Loans, CGEGIS etc.:

(a) IFA of the each Circle of the BSNL will ensure that agreed balances as on 30.9.2000 in regard to GPF and long/ short term loans etc., in respect of individual employees who are working in respective offices of each telecom Accounting Circle as on 30.9.2000, are transferred to the DoT Cell Unit under distinctive nomenclature of loans. The DoT Cell Unit will adopt these agreed balances as their Opening Balance and start maintaining the Broad Sheets.

(b) Since the staff of BSNL are borne on the strength of DOT and are on "deemed deputation" with BSNL, the recoveries towards CGEIS 1977 and CGEGIS 1980 will continue to be effected by BSNL, till the staff are permanently absorbed in BSNL. All the recoveries of CGEIS and CGEGIS will be effected from the pay bill by the SSA/ PAU concerned and accounted for in the monthly accounts and a schedule (in duplicate) containing details should also be submitted to BSNL Circle Office for consolidation and settlement with DoT Cell Unit.

(c) All the long/ short term advances such HBA, Motor Car, Scooter, Cycle etc., will be sanctioned and paid by the BSNL on behalf of DoT in respect of "deemed deputationists" from DoT, claims will be lodged by BSNL at the end of each month with DoT Cell who will reimburse the amount to BSNL from this year's allocation under the Budget of Govt, till 31.3.2001. However, officials, who become corporate employees before 1.4.2001, shall not be eligible for payment of advances from the allocation of fund from DoT. In such case, CGMs may approach BSNL Hq for allocation of fund. From 1.4.2001, BSNL will pay the advances from its own funds allocated for the purpose for all including those on deemed deputation. Therefore, no claim will be lodged on DoT Cell w.e.f 1.4.2001.

(d) The SSAs/ PAUs of BSNL will continue to effect recovery from the pay bills and maintain the accounts of recovery as was being done prior to Corporatisation. The SSAs/ PAUs will prepare three copies of Recovery/ Payment Schedules. Two copies of Recovery/ Payment Schedules will be sent along with the monthly accounts to the BSNL Circle Headquarters. BSNL Circle Headquarters will consolidate the Credits representing the subscription and recoveries reported by each SSAs/ PAUs and also consolidate debits representing the payments effected by the SSAs/ PAUs. The consolidated net amount (credits minus debits) so arrived at will be passed on by the BSNL Circle Headquarters to the DoT Cell Unit there by means of crossed Cheque/ Demand Draft before 10th of every month following the month of transaction along with one copy of the Recovery/ Payment Schedule GPF, HBA, MCA, scooter advance, cycle advance, CGEGIS-80 & CGEIS-77 etc. One copy of the Recovery/ Payment Schedule will be retained by the BSNL Circle Headquarters as its Office Copy.

(e) The DOT Cell Unit, on receipt of cheque/ DD will take into account the same through Cash Book with proper classification and also will take steps to post the Recoveries/ Payments Schedules in the broad-sheets and to arrive at the closing balance on month to month basis.

3. On transfer of employees (a) from the jurisdiction of one BSNL Telecom Circle Accounting Unit to another BSNL Telecom Circle Accounting Unit or (b) from BSNL to DOT:

On transfer of an employee from the jurisdiction of one BSNL Telecom Circle Accounting Unit to another BSNL Telecom Circle Accounting Unit, or from BSNL to DOT, necessary Last Pay Certificate will be prepared (showing all the outstanding balances of both long/ short term loans and advances and GPF balance at the credit of the employee) by the SSA/ PAU concerned and sent to the BSNL Circle Headquarters for onward transmission to the DOT Cell Unit Necessary entries to this effect will be made by the SSA/ PAU in the retrenchment registers, subsidiary registers etc.

On receipt of the LPC, the DOT Cell Unit will verify the same with reference to the Broad-sheet maintained by it. If the balances shown in the LPC are found correct, DoT Cell Unit will arrive at the net balance of the outstanding balances (whether Credit or debit). If the net balance worked-out to be a Credit or Debit balance in respect of the employee, the DoT Cell Unit will arrange to issue the cheque in favour of or prefer a claim against (as the case may be) the DoT Cell Unit under whose jurisdiction the employee is transferred and send a copy of the LPC to the DoT Cell Unit. In case of any discrepancy in the balances shown in the LPC the DOT Cell Unit will take up the matter with the BSNL Circle Headquarter concerned and get the matter sorted out.

On receipt of the LPC along with Cheque or Claim as the case may be, the DOT Cell Unit wherein the employee has been transferred will accept the cheque or honour the claim and make suitable entries in the broad-sheet(s) maintained by it and then pass on the LPC to the BSNL Circle Accounting Unit with a request to effect recovery from the pay of the transferred-in employee. The BSNL Circle Accounting unit concerned will pass on the LPC to the SSA/ PAU concerned for further necessary action. The SSA/ PAU will there upon take steps to effect recovery from the pay of the employee concerned and follow the procedure set out in paragraphs 2 and 3 hereinabove.

4. On transfer of employees from DoT Offices to BSNL on or after 1.10.2000:

The concerned SSA/ PAU of DOT Circle Accounting Unit from which the employee is transferred will issue the LPC indicating the outstanding balances and send the same to his Circle Accounting Unit. In turn Circle Accounting Unit will forward the LPC along with a Cheque in favour of or Claim against the DOT Cell Unit to whose jurisdiction the employee is transferred.

On receipt of the LPC along with the Cheque or Claim, the DOT Cell Unit concerned will get the cheque encashed, or honour the claim and send the cheque in settlement of the claim to the DOT Circle Accounting Unit. After making suitable entries in the Broad-sheet, the DOT Cell Unit will pass on the LPG to the BSNL Circle Accounting Unit with a request to effect recovery of the outstanding balances from the employee concerned and make necessary entries in GPF ledger card for the opening balance received from transferring office.

On receipt of the LPC from the DOT Cell Unit, BSNL Circle Accounting Unit will pass on the same to SSA/ PAU concerned and get the necessary entries made in the relevant registers including GPF ledger card, broad-sheets etc.

The SSA/ PAU concerned on receipt of the LPC will make necessary entries in the retrenchment registers or subsidiary registers etc., and follow the procedure enunciated in the paragraph 2 hereinabove.

5. Compilations and Submission of Accounts:

The SSAs/ PSUs under BSNL will continue to send the monthly Cash Account Current and Store Account Current in respect of transactions relating to DOT through CAC package/ TACT package as is being done presently till all the RBI balances, Suspense transactions, Remittance transactions (both cash and stores) that had taken place prior to corporatisation i.e. up to and inclusive of 30.9.2000 are adjusted fully and until further orders. All these transactions will be by way of journal entries and practically there will be no new cash transactions on behalf of DOT from 1.10.2000 through cash book. These accounts will be maintained separately from those of BSNL accounts.

All transactions (except of Telephone Bills payment received from 1.10.2000 even in respect of same relating to earlier period) of DOT relating to the period prior to 1.10.2000 (like payments received on behalf of DOT or payments/ refunds/ claims settled on behalf of DOT) will be first accounted for by the SSA/ PAU in the books of BSNL and included in the monthly accounts being submitted to the BSNL Circle Accounting Unit. The SSA/ PAU should prepare Credit schedule and Debit schedule for such transactions in Triplicate. The monthly accounts should be accompanied by two copies of the schedule along with the photocopy of the vouchers.

On receipt of the monthly accounts from the SSA/ PAU along with the Debit/ Credit Schedules relating to DOT, the BSNL Circle Accounting Unit will consolidate the Debit/ Credit schedules and arrive at the net Credit/ Debit and depending upon the net consolidated figure, the BSNL Circle Accounting Unit will issue a Cheque in favour of or prefer a Claim against the DOT Cell Unit along with one copy of the schedule (Credit/ Debit) received from the SSA/ PAU and the photocopy of the supporting Vouchers. All such claims should then be scrutinized and settled by the DOT Cell Unit by issue of Cheque to BSNL Circle Accounting Unit only.

6. Bank Reconciliation:

Reconciliation with banks for the transactions that had occurred up to and inclusive of 30.9.2000 will continue to be the responsibility of the SSAs / PAUs and BSNL Circle Telecom Accounting Units. Necessary urgent steps should be taken immediately in this regard. Settlement/ adjustments effected should be passed through Cash Account Current & /Store Account Current by the SSAs/ PAUs which will continue to be sent to the BSNL Telecom Circle Accounting Unit.

7. Personal Claims of Staff:

While every effort would have been made by the Telecom Circles/ Units to settle all personal claims of staff pending as on

30.9.2000, some cases might have remained unsettled due to one reason or the other. All such claims must be scrutinized and settled by the BSNL positively on or before 31.12.2000 and included in the accounts to enable the BSNL Circle Accounting Unit to obtain reimbursement from DOT Cell Unit.

8. Service Records of Personnel:

The Service records of the persons working on deemed deputation from DOT will continue to be maintained by BSNL.

9. Inter-Departmental Adjustments:

All Inter-department claims pending as on 30.9.2000 with the present SSAs/ PAUs and circles etc shall be listed out separately and settled by the BSNL before 31.12.2000. If any of the proceeds of such settlement are to be credited to DoT that should be done with full details, through cash/ cheque to the DoT Cell unit before 31.12.2000 by BSNL.

Similarly, if there are any cases that are not the liabilities of the BSNL but are to be, debited to the DoT, such claim should be preferred on the DoT Cell unit by the BSNL before 31.12.2000 for cash settlement. The DoT Cell unit will take necessary budget allotments and then settle the claims of the BSNL.

10. Monthly Accounts:

The DoT Cell unit will submit its monthly account as Circle Abstract in TACT package to the DoT Hq. TA Section up to 10th of following month. SSAs/ PAUs of BSNL will submit their monthly Trial Balance Account along with supporting schedules to the BSNL Circle Accounting Unit by 6th of the following months & BSNL circle Accounting Unit after consolidating the monthly Trial balance Accounts of SSAs/ PAUs will submit the circle monthly Trial balance account along with supporting schedules to the BSNL Corporate Office, New Delhi i.e. presently to the AO TA-II (TACT) DoT, Sanchar Bhawan, New Delhi which should reach up to 12th of the following month. For example 11/2000, Circle Trial balance should reach up to 12.12.2000. SSAs/ PAUs of BSNL accounting Circle Unit & BSNL Circle will continue to submit the old DoT account as Cash Account Current (Cash & Store) & Circle Abstract (Cash & Stores) as stated in para 5 above.

The contents of this letter may please be brought to the notice of all concerned. The receipt of this letter may please be acknowledged to Shri J.K. Gupta Director (TA-I), DoT, Sanchar Bhawan, New Delhi 110001. Hindi version will follow.

DOT No. 7-1/2000-TA-I/23 dated 11.12.2000

Subject: Accounting of Transactions of Wireless Monitoring Organisation in Department of Telecommunications

1. Consequent on corporatisation of DTS/ DTO, the procedure of accounting of transaction of Wireless Monitoring Organisation in Deptt. of Telecommunications was changed vide this office OM No. 7-1/2000 -TA-I/9 dtd.29.9.2000 effective from 1.10.2000.
2. Certain difficulties were expressed in implementing the said procedure laid down in the above mentioned Office Memorandum. After careful re-examination of the whole issue, the competent authority has approved the following new procedure to be effective from 1.1.2001, which is as under:
3. The 27 Monitoring Organisations will now stand attached with the DoT Cell Unit created at each BSNL Telecom Accounting Circle as shown in Annexure-A. The Engineers who are in-charge of the 27 units which were previously working as DDO up to 30.9.2000 will work again as DDO without cheque drawing authority and maintain the cash book and, other records as being maintained prior to 1.10.2000. The said DDOs of Monitoring Organisation will submit their claims for pre-check and payment to the concerned DoT Cell Units/ PAO (Hq) DoT. DoT Cell Units/ PAO (Hq) DoT will take these transactions in their cash book.
4. Cheque drawing DDO in the O/o. Director, Monitoring Organisation Hq. will take the following action:
 - (i) To forward by 20.12.2000, the specimen signatures duly attested of all the DDOs of 27 Monitoring Organisation Units to the respective accounting units as indicated in Column 5 of Annexure-A, to enable these DoT Cell/ PAO(Hq) accept and admit the claims preferred by DDOs from 1.1.2001 onwards:
 - (ii) Take steps to settle all claims received up to and pending as on 31.12.2000. Claims that remained unsettled at the end of 31.12.2000 should be sent to the respective DDOs to enable them to prefer the claims on the DoT Cell Unit concerned.
 - (iii) To forward thereafter GPF schedules relating to December 2000 salary bills to the AO (PFP) DoT Sanchar Bhawan, New Delhi, through PAO (Hq) DoT, duly accounted for in his monthly account of December 2000;
 - (iv) To ensure that no temporary advance, permanent advance, temporary imprest, permanent imprest etc. is/ are kept pending for adjustment. All adjustments will have to be made upto 31.12.2000
 - (v) Undisbursed cash, if any, should be deposited with the Reserve Bank of India through Challan duly countersigned by PAO (Hq) DoT and there should be no cash balance in the cash book at the end of

- 31.12.2000.
- (vi) To close the cash book on 31.12.2000 and submit the monthly cash account current with all necessary statements and schedules to PAO(Hq) immediately and surrender the cheque book(s) to PAO (Hq) DoT by canceling the unused cheque foils in the current cheque book.
- (vii) To issue the LPC (in duplicate - one copy for DDO) of the employees/ staff of the Monitoring Organisation Units and send the same to the incharge of concerned DoT Cell Unit through the PAO (Hq) who will raise ATD/ ATC (wherever necessary);
- (viii) To close the broadsheets of loan and advances given up to Dec. 2000 and to indicate the balances in respect of each DDO of Monitoring Organisation to the respective DoT Cell/ PAO (Hq) (see Col. 5 of Annexure-A).
5. From January 2001 onwards, the maintenance of individual GPF accounts of staff/ officers of the respective units of the Monitoring Organisation will be undertaken by the concerned DoT Cell Unit/ AO (PFP)–PAO(Hq), including maintenance of the broadsheets of loan and advances.
6. All lump sum payments like GPF final payment, commutation of pension, DCRG etc. will be authorized and paid by the concerned DoT Cell Unit/ AO (PFP)–PAO (Hq) DoT.
7. The monthly payment of pension to officers/ staff retiring from Monitoring Organization will be arranged through public sector banks under “Scheme for payment of pension to Central Govt. Civil pensioners by public sector banks”. The Accounts Officer entrusted with the responsibility of settlement of pension cases in DoT Cell/ PAO (Hq) will prepare the Pension Payment Order (PPO), indicating inter-alia, the particular branch of the public sector bank from which the pensioner has opted to draw the pension, and forward the same to the Accounts Officer of Central Pension Accounting Office in Ministry of Finance, New Delhi nominated Principal Accounts Officer authorized countersign and forward the Pension Payment Orders.
8. Budgeting for the Monitoring Organisation: Headquarters of the Wireless Monitoring Organisation will continue to frame Budget Estimates (BE), Revised Estimates (RE) and Final Grants (FG) in respect of all Wireless Monitoring Stations under their charge and, to forward the periodical budget statement to the Revenue Budget Section of the Directorate i.e. Director (PFR)/ ADG. Budgetary control over the expenditure in respect of the unit of the Wireless Monitoring Organisation will continue to be exercised by the headquarters of the Wireless Monitoring Organisation. To enable them to exercise effective budgetary control, the respective DoT Cell Unit/ PAO (Hq) (See column 5 of Annexure-A) will forward in duplicate, the figures of booked expenditure in respect of Monitoring Units under their accounting jurisdiction, to the DDO of the Monitoring Organisation Unit, who, after reconciling the booked figure w.r.t. his records will forward one copy to the headquarter of the Wireless Monitoring Organisation, so as to reach them not later than 10th of every month. TA-II section of the Telecom Directorate will also intimate monthly figures of booked expenditure to the headquarters of the Monitoring Organisation, so as to enable them to know the total amount booked in the accounts.
9. The Revenue Expenditure relating to Monitoring Organisation will be accounted for under the following heads of accounts:

327500 102	Wireless Monitoring Services
0001	Salaries (including DA)
0002	Wages
0004	Travel Expenses
0005	Office Expenses
0006	Rent Rates and Taxes
0008	Payment to Professional & / Special Services
0009	Advertising , Sales and Publicity Expenses
0013	Hospitality expenses
0014	Overtime Allowance
0019	Machinery and Equipment

10. The pensionary charges will be booked under head 2071 – Pension and Other Retirement Benefits.
11. The Monitoring Organisation Headquarters will supply to the concerned DoT-Cell Unit at BSNL Circle Accounting Unit, the particulars of total establishment viz., cadre-wise heads of staff under each DDO, for whom the DoT-Cell Unit has to admit the claim.
12. Clarification if any required in implementing these instructions may be addressed to Shri R. Ramachandran, ADG (TA), DoT, Room No.917, Sanchar Bhavan, N. Delhi-110001.

Note: Present arrangement of WPC will continue.

Annexure-A

Telecom Accounts and Finance Manual

Sl. No.	Name of the Unit & Address	Station	DDO to which Attached w.e.f. 1.10.2000	DoT Cell Unit/PAO (Hq) to which attached w.e.f. 1.1.2001
1	Mon. Stn Jalandhar, Main Garhi Road, Hardyal Nagar (Near Brahma Kumari Ashram), Jalandhar – 140 022 Ph: 0181-225210; Fax: 232544	Jalandhar	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Punjab Telecom Circle Chandigarh
2	Mon. Stn. Jammu H.No. 41, Sector-1, Lane-2, Nanak Nagar, Jammu – 180 004; Ph: 0191-430064 Fax: 433	Jammu	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, J&K Telecom Circle, Jammu
3	Mon. Stn. Ajmer, Kotra, Pushkar Road, Ajmer – 305 004 Ph: 0145-425641 Fax: 634583	Ajmer	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL. Rajasthan Telecom Circle, Jaipur
4	IMS, New Delhi Ghitomi, PO Mehrauli, New Delhi-110 030 Ph: 011-6502380; Fax: 6502380	NewDelhi	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Head-quarters) DoT Sanchar Bhawan, New Delhi
5	NRHQ, E Wing, III Floor, Pushpa Bhawan, Madangir Road, New Delhi-110062. Ph: 6087722; Fax: 6087762	NewDelhi	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Head-quarters) DoT Sanchar Bhawan, New Delhi
6	Mon.Stn Gorakhpur, Gurauli Buzurg Chhapi, P.O. Khajani Road, Gorakhpur - 273 001 Ph: 0551-321709; Fax:349329	Gorakhpur	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, UP (E) Telecom Circle, Lucknow
7	Mon. Hqrs, New Delhi E wing, III floor, Pushpa Bhawan Madangir Road, New Delhi 110062 Ph.: 6082562; Fax: 6087762	New Delhi	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	PAO (Hq), DoT, Sanchar Bhawan, New Delhi
8	IMS, Mumbai Gorai Road, Borivilli (West) Mumbai-400 092 Ph: 022-8671626; Fax: 8676244	Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Maharashtra Telecom Circle, Mumbai
9	WRHQ; IMS Campus Gorai Road, Borivilli (West); Mumbai-400 092 Ph: 022-8672351; Fax: 8672351	Mumbai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Maharashtra Telecom Circle Mumbai
10	Mon.Stn. Goa Sylvia Road, Chogm Sangolda Road, PO Alto, Porvorim Goa - 403 521 Ph : 0832-417245; Fax: 612040	Goa	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Maharashtra Telecom Circle, Mumbai
11	Mon. Stn. Nagpur Chhindwara Road, PO Koradi, Nagpur-441111 Ph: 0712-612114; Fax: 612040	Nagpur	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL Maharashtra Telecom Circle, Mumbai
12	ISMES, Jalna, Indewadi Vill, Ambad Road, Jalna - 431 203 Ph: 02482-30200; Fax: 32200	Jalna	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL Maharashtra Telecom Circle, Mumbai
13	IMS, Calcutta VIII, Gopalpur, Sarkarpool, PO 24 Parganas, Calcutta – 743 352 Ph: 033-4019840; Fax: 4014368	Calcutta	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, West Bengal Telecom Circle, Calcutta
14	ERHQ IMS Campus, VIII, Gopalpur, Sarkarpool PO 24 Parganas, Calcutta – 743352 Ph:033-4012960 Fax: 4019407	Calcutta	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, West Bengal Telecom Circle, Calcutta
15	Mon. Stn. Dibrugarh G Sardamal's Bld., Mancotta Road Dibrugarh – 786 001 Ph: 0373-325238; Fax: 325238	Dibrugarh	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Assam Telecom Circle Guwahati
16	Mon., Stn. Darjeeling, 7 Oaks Banki, Plot No. 560 Rose Bank, Darjeeling – 734 102 Ph: 354-52383; Fax: 52383	Darjeeling	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, West Bengal Telecom Circle Calcutta.
17	Mon. Stn. Ranchi, Harmu	Ranchi	Accounts Officer O/o Director	DoT Cell Unit at BSNL, Bihar

	Housing Colony, Ranchi – 834012 Ph: 0651-243023; Fax: 211433		Monitoring Organisation (Hq), New Delhi	Telecom Circle Patna
18	IMS, Chennai, Kandanchavadi, Perungudi, Chennai – 600 096 Ph: 044-4960275; Fax: 4963083	Chennai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Tamil Nadu Telecom Circle, Chennai
19	SRHQ IMS Campus, Kandanchavadi, Perungudi, Chennai-600 096 Ph: 044- 4960979; Fax: 960235	Chennai	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Tamil Nadu Telecom Circle Chennai.
20	Mon. Stn. Mangalore, Fatima Mansion, III Floor, Pintos Lane, Bijal PO Mangalore – 575004 Ph: 0824-493960; Fax: 4942449	Mangalore	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Karnataka Telecom Circle, Bangalore
21	Mon. Stn. Virag, 15-5-1, Saileswarn Road, Maharanipecta, Vizag-530 002; Ph: 0891-539365 FAX: 542402	Vizag	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, AP Telecom Circle, Hyderabad
22.	Mon. Stn. Bangalore; 18, Padmanabha Nagar; Banasankari, II Stage, Bangalore 560 070 ; Ph: 080-6690102; Fax: 6790300	Bangalore	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Karnataka Telecom Circle, Bangalore
23.	Mon. Stn. Ahmedabad, Opp. Jagatpark Society, Ghatiodia, Ahmedabad – 380061 Ph: 079-7603444; Fax: 7603011	Ahmedabad	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Gujarat Telecom Circle, Ahmedabad
24.	Mon. Stn. Trivandrum, Kachani Post, Nettayam, Trivandrum-695013 Ph: 0471-362202; Fax: 364333	Trivandrum	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Kerala Telecom Circle, Trivandrum
25.	Mon. Stn. Shillong, PO Lapiang, Rynmeh, Shillong – 793 006 Ph: 0364-230113; Fax: 233727	Shillong	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, North East Telecom Circle, Shillong
26.	Mon. Stn. Bhopal, 66-A, Sector-B, Shahpura, Bhopal-462039 Ph: 0755-564653; Fax: 723930	Bhopal	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, Madhya Pradesh Telecom Circle, Bhopal
27.	Mon. Stn. Hyderabad, House No. 33- 71/19, Venkateswara Officer's Colony, Ramakrishnapuram, Secunderabad – 500 556 Ph: 040-7794504; Fax: 7794530	Secunderabad	Accounts Officer O/o Director Monitoring Organisation (Hq), New Delhi	DoT Cell Unit at BSNL, A.P. Telecom Circle, Hyderabad

DOT No. 7-7/2000-TA-I dated 19.01.2001**Subject: Pension, Leave Salary Contributions to be made by BSNL for Staff/ Officers on Deemed Deputation from DOT**

As you are aware an adhoc rate of 23% has been intimated as contribution towards pension that BSNL has to make against each official on deemed deputation to BSNL from DOT. In our accounting codes of BSNL we have allocated a code for pension and leave salary contribution. This in effect means that this adhoc rate covers pension as well as leave salary contribution.

2. Adhoc rates can only be for an interim period. Moreover, there is a need to arrive at concrete rates in view of amendment of Rule 37 of Central Civil Service Pension Rules, 1972. It has now been decided that BSNL will have to provide for pension contribution on the basis of the table giving varying contributions with varying length of services as given in Appendix-2 containing orders issued under FR-116-117. As per these orders, pension contribution will be levied at the maximum of the scale of pay. In addition, there will be monthly leave salary contribution of 11% of pay drawn for each and every officer/ official who is subject to the CCS (Leave) Rules, 1972. The detailed calculations are to be made individual wise every month and cheque has to be given with supporting schedules containing individual wise details against these items i.e. pension contribution, leave salary contribution to the DOT Cells from the Circle Office. The DOT Cell will maintain group-wise, cadre wise, individual-wise ledgers and monthly contributions will be entered against individual name along with schedule No. and cheque No. and the date. The entries in the service books will be made by BSNL units as the service books are maintained at the unit level but authentication, at least once a year, will be made by Inspection Teams from DOT Cells.

3. Till the units are in a position to work out details individual wise, the existing arrangement of monthly adhoc contribution of 23% may continue. It is always desirable to switch over to the above arrangement quickly.

4. For Group A and B officers who are on deemed deputation in MTNL, MTNL will have to make contribution for pension, leave salary with effect from 1.10.2000 as per para 2.

DOT No. 7-1/2000-TA-I dated 07.02.2001

Subject: Booking of Salary, Allowances and Office Expenses of Officers Working in DOT Cells

It has been observed that some of the DOT Cells have sent 'NIL' statements from October 2000 onwards. It is reiterated that pension payment booking is to be made in the accounts of DOT Cells along with salary, allowances and office expenses of the staff and officers working in DOT Cells. The DOT Cells will also get receipts in the form of license fees, pension contribution etc., from BSNL Units along with recovery of long term advance and other adjustment transactions.

DOT Budget has been sought under MH-3225 so expenditure of pension, and salary etc., is to be booked under MH-3225 as was being done previously. Pension contribution etc., from BSNL, MTNL and VSNL may also be accounted for under MH-1225, any change will be intimated later on. While booking the expenditure, the additional cost arising out of diversion of posts as conveyed through SEA section's letter No.34-31/2000-SEA dated 18.1.2001 and 23.1.2001 are to be taken into account.

DOT No. 7-1/2000-TA-I/22-5 dated 11.02.2001

Subject: Accounting Procedure to be followed in BSNL/ DOT Cell Unit – reg.

Reference: Circular no.7-1/2000-TA-I dated 4.12.2000

A reference is invited to this Circular dated 4.12.2000.

Certain doubts have been raised and clarifications sought on some points, which are clarified as under, for the information and guidance of all concerned.

1. Recovery of interest component of loans and advances: Referring to Para 3 of the Circular, it has been pointed out that in cases of transfers outside the Circle while the DOT Cell will issue cheque for the net amount (credit – debit) to the responding Circle, that nothing has been mentioned about the "interest" component of the loans and advances. A doubt has also been raised as to who will calculate the interest on loans and advances in such cases.

It is clarified that the BSNL SSA/ PAU concerned is expected to calculate the interest after completion of recovery of the principal amount and remit the same to DOT Cell, through BSNL Hq. Further, proper information will have to be provided in the LPC to enable the responding BSNL circle to calculate the interest.

2. Maintenance of Service Books of DDOs/ Head of Offices: A doubt has been raised whether the Service books of DDOs and Head of Offices which were hitherto maintained by the TA section of the circle office will have to be transferred to BSNL units.

In this connection it is clarified that, TA section continues to exist in BSNL Circle office, and Service books of DDOs and Head of Offices of SSA units will continue to be maintained by the TA section of BSNL Circle Hq.

3. Pension and Leave salary contribution in respect of officers on deputation/ foreign service to organizations like TCIL etc.: Clarification has been sought as to whether the DOT Cell has to maintain the Service books of officers/ employees who are on deputation/ foreign service to organizations like TCIL and should receive the Pension and leave salary contribution etc. from the foreign employer.

In this connection it is clarified that for all purposes, all the employees (including those on deemed deputation/ Foreign Service) of erstwhile DOT/ DTS/ DTO have been transferred on "deemed deputation" basis along with their respective posts to BSNL. As such, any one on deputation/ Foreign Service to other organizations should also be deemed to be on deputation/ Foreign Service from BSNL.

As such it is only the TA section of BSNL Circle Headquarters which should maintain the service books of all such officers/ employees and also receive the leave salary and pension contribution etc. from the foreign employer. However, such leave salary and pension contribution (received from the foreign employer) should also be passed on to the DOT Cells as and when the leave salary and pension contribution of employees who are physically working in BSNL are passed on to DOT Cell.

4. Claims for lines and wires leased to railways etc.: Clarification has been sought whether from 1.10.2000 onwards the work relating to preferring of claims on Railway authorities towards leased lines and wires (which was earlier done by TA section of Circle Office) will be done by BSNL units.

It is clarified that the TA section of the BSNL Circle Headquarters will do the functions.

These clarifications may be given wide publicity amongst all concerned.

DOT No. 7-1/2000-TA-I dated 23.03.2001**Subject: Booking of Salary, Allowances and Office Expenses of Officers working in DOT Cells**

A reference is invited to the Circular of even no. dated 7.2.2001 on the above subject.

This is to intimate that instead of booking the salary, office expenses, pension under Major Head 3225, Major Head- 3451 may be used. For booking of Pension contribution etc., from BSNL, MTNL Major Head –0071 may be used instead of Major Head 1225. For accounting of license fees from MTNL/ VSNL Major Head-1275 may please be used.

DOT No. 7-1/2000-TA-I/21 dated 12.11.2001**Subject: Steps to ensure Timely Payment of Pension to BSNL Staff**

It has come to the notice of the Telecom Commission that delays are taking place in the finalization of pension cases. This results in undue hardship to the retired employees as also invites avoidable complaints from them. A series of discussions with the officers of the concerned DoT Cells revealed that the delays are contributable to delayed/ incomplete submission of pension papers by the concerned SSAs to the concerned DoT Cells.

2. The various stages and also the time frame etc. are envisaged in Chapter VIII (Rule 56 to 64) of CCS (Pension Rules). It is observed that the provisions contained in these Rules are observed simultaneously by the concerned SSAs. The delay in authorizing the various retirement benefits can be avoided to a great extent. It may not be out of place to mention that all retirement benefits are to be settled immediately on its becoming due except the authorization of pension payment order which is required to be issued not later than one month in advance of the date of retirement of the Govt. servant.

3. In order to ensure timely finalisation of pension cases, the following schedule may be observed by the concerned Circle Accounting Units of BSNL.

3.1 Six monthly list of the officials due to retire within the next 24 to 30 months is prepared and sent to the DoT Cell not later than 31st of January or 31st of July, as the case may be. In the case of officials retiring for reasons other than superannuation, the DoT Cell is to be informed as soon as the employee seeks retirement.

Preparation of Pension Papers.

First Stage-Verification of Service (by.....branch of SSA)

Immediate action is to be taken to verify the qualifying service of all employees retiring within a year. Thereafter verification of qualifying service of minimum of 2 years before retirement is to be ensured in all cases.

4.1.2. Ensure 24 months before retirement that the Service Book contains the certificates of verification for the entire period of service. In respect of unverified portions, verify with reference to Pay bills or other relevant records and record the necessary certificates.

4.1.3 For verification of service rendered elsewhere, make reference to concerned offices. If all efforts foil, the official is to file a written statement certifying the service rendered producing supporting evidence.

4.1.4 Govt. and other dues, if any, to be ascertained.

4.1.5 Soon after the receipt of information regarding notice of V.R/ death, the Head of Office should start verifying qualifying service, dues, pending disciplinary case, if any, etc. and try to obtain pension papers early to avoid delay in settlement of the case.

4.2 Second stage-calculation of average emoluments (By TA branch of SSA)

4.2.1 This should be completed by 10 months before retirement of retiring officials.

4.3 Third Stage-Forwarding of Pension Papers to the Government Servant.

4.3.1 The Pension papers are to be forwarded in triplicate to the individual, advising him to complete the same within 8 months of retirement.

5.0 Forwarding of Pension by TA branch of SSA along with Check List to DoT Cell.

5.1 The attestation of the joint photography to be pasted in the pension application form is to be ensured.

5.2 The completion of all columns in the data sheet is to be ensured.

5.3 The correctness of the calculation sheet is to be ensured.

5.4 It may be ensured that the Savings Bank account number is invariably indicated in the data sheet, if the Government Servant is to draw his/ her pension through the bank.

5.5 It is to be ensured that the data sheet indicates whether the Government Servant will reside in an area covered under the CGHS or otherwise.

6.0 The following documents should accompany the pension claims sent to the DoT Cell not later than 6 months before the date of retirement.

6.1	Data Sheet	Two copies
6.2	Pension application	-do-
6.3	Photographs/ joint photograph	-do-

6.4	Slip containing specimen sign/ thumb Impression/ finger impression of the	-do-
6.5	Slip containing specimen sign/ thumb impression of spouse	-do-
6.6	Govt contribution resumption certificate, in case any, to be signed by the Head of Office	- do –
6.7	Details of the family members of the Government servant under the Family Pension Scheme. One Copy	
6.8	Nomination for DCRG/ GPF/ CGEIS	-do-
6.9	Statement showing non-qualifying	-do-
6.10	Report regarding verification of Qualifying service after completion of 25 years	-do-
6.11.	Commutation application (where applicable)	-do-
6.12	Certificate to the effect that no Judicial/ Departmental proceedings have been Instituted are pending.	-do-
6.13	Identification marks of the spouse	-do-
6.14	Identification marks of the spouse	-do-
6.15	Detailed calculation sheet	-do-
6.16	No dues certificate	-do-
6.17	LPC (Provisional/ Final)	-do-
6.18	Succession certificate where there is no nomination	-do-

7. All CGMs, IFAs of Circles of BSNL, Head of DoT Cells of Deptt. of Telecom of respective circles may evolve a suitable monitoring mechanism to ensure proper observance of the provisions contained in Pension Rules and the time schedule indicated above.

This issues with the approval of Member (Finance), Telecom Commission.

DOT No. 7-1/2000/TA-I/17 dated 31.07.2002

Subject: Clarifications on Items of Settlement between BSNL and DOT

1. With the formulation of the BSNL on 1.10.2000, a number of procedures came into operation that would have to be acted upon regularly by the Company's units and the DOT Cells. These related to pension contribution, leave salary contribution, leave encashment, CGEGIS, GPF final payment, the transfer of asset and liabilities and the loans and advances granted to BSNL's employees. The Deptt. of Telecom issued instructions on all the items but one or the other DOT Cell/ BSNL unit still either expressed doubts on some items or failed to implement them. A comprehensive set of clarifications are now being issued. They may please be read carefully and implemented with consistency as they derive their authority from Govt. rules / orders on each subject.

2. The clarifications are as follows:

- (i) **PENSION CONTRIBUTION:** Pension contribution is payable by BSNL (both for the deemed deputationists of all categories as well as the absorbed employees of the Groups 'C' and 'D') as per rates of contribution prescribed in the Fundamental Rules 116 & 117 under Appendix 2 of Swamy's compilation. These will be calculated at the maximum of the scale of the post held by the official at rates varying with the length of service given in the Annexure of Appendix 2 (FRs 116 & 117). To avoid the Company having to pay penal interest on delayed pension contributions, as required by rules, the BSNL Circles will pay pension contribution, to the DOT Cell within 15 days of the end of each month in which the employees' pay is drawn. Pension contribution so recovered will be credited to the Major Head 0071 01 101 Subscriptions and Contributions, by the DOT Cells.
- (ii) **LEAVE SALARY CONTRIBUTIONS:** Leave salary contribution is payable at 11% of the pay drawn, as per FRs 116 & 117 under Appendix 2 of Swamy's compilation, but only for the deemed deputationists (not for absorbed employees) working in BSNL. To avoid payment of penal interest on delayed leave salary contribution, as required by rules, the BSNL Circles will leave salary contribution, to the DOT Cell within 15 days of the end of the month in which the employees' pay is drawn. Leave salary contribution received by the DOT Cells will be booked to the Head –1275 00 800 Other Receipts.
- (iii) **LEAVE ENCASHMENT AT THE END OF SERVICE:** Regarding the Groups 'C' & 'D' who stand absorbed in the BSNL payment in encashment of leave will be made by BSNL – as earned leave and half-pay leave at the credit of the absorbed Group 'C' and 'D' employees stands transferred to the BSNL. Instructions issued vide this office letter number 7-1/2000-TA-I/17 dated 18.10.2000 will thus hold good. Leave encashment will be paid by the DOT cells for the Groups 'A' and 'B'. Payments made by the DOT Cells will be booked under the head – 20710111501 Leave Encashment (Tact Code 1405).

- (iv) **CGEGIS & CGEIS PAYMENT AT THE END OF SERVICE:** As per the instructions contained in this office letter number 7-1/2000-TA-I/17 dated 18.10.2000, CGEGIS for the absorbed employees of DOT/ DTS/ DTO was to be paid by the BSNL. The position has been reviewed and the payment can continue to be made by the DOT Cells till the BSNL has a clear Group Insurance Scheme for its employees. Recoveries from the employees' pay by the BSNL units will continue to be paid to the DOT Cell for the present. Recoveries of CGEIS-1977 will be accounted for under the Head 023560105 – CGE Insurance Scheme and those relating to the CGEGIS-1980 will be accounted for under the Head 80110010303- CGEGIS by the DOT Cells.
- (v) **GPF FINAL PAYMENT AT THE END OF SERVICE:** The BSNL Corporate office has been asked to take over the balances of Provident fund lying at the credit of its absorbed employees, for which a positive response is still awaited. For the present, final payments of GPF balances may continue to be made by the DOT Cells to all employees of Groups 'A' 'B' 'C' & 'D' of BSNL till the BSNL formalizes a scheme for the administration of its employees' provident fund accounts. Instructions contained in this office letter number 7-1/2000-TA-I/17 dated 18.10.2000 thus stand modified. It must, however be insured by the DOT Cells that the balances paid to them are tallied with the BROADSHEET figures maintained by them (DOT Cells.)
- (vi) **TRANSFER OF ASSETS AND LIABILITIES TO BSNL:** According to the instructions contained in the O.M. 2-3/2000 Restg. dated 30.9.2000, the Government of India transferred all its assets and liabilities related to operations to the BSNL with effect from 1.10.2000. In compliance with the said O.M. transfer of balances under assets and liabilities of the erstwhile DTS/ DTO (as reflected in the Union Finance Accounts of DOT) have been proposed to CGA for transfer to the BSNL. These assets include all advances given to other organizations and deposits from telephone subscribers, contractors, PCO operators etc. such as security deposits, earnest money deposits etc. It is thus reiterated that no claims for the refund of revenue or advances paid out/ deposits received from telephone subscribers, contractors, PCO operators' e.g. Security deposits, earnest money deposits etc. (excepting under MH 7610) or any other claims of salary arrears, allowances etc. are to be entertained from BSNL by the DOT Cells.
- (vii) **LOANS & ADVANCES TO GOVT. EMPLOYEES (Major Head – 7610):** For House building advance, motor car advance, scooter advance and computer advance etc. it was communicated vide letter number 7-1/2000 TA-I/17 Dated 18.10.2000 that payment will be made by the DOT Cells to all employees on deemed deputation from DOT, but not to those who have been absorbed in BSNL before 1.4.2001. It was indicated that from 01.04.2001 onwards, BSNL will have to pay the advances to all employees from its own fund, including to those on deemed deputation. The question of reimbursement by the DOT Cells from the period from 1.4.2001 does not arise.

In respect of loans and advances already paid by the govt. to employees working in BSNL, DOT Cell should be receiving the recoveries on the loans/ advances from the BSNL Circle Accounting Units along with schedules on monthly basis. BROADSHEETS have to be maintained by the DoT Cells, taking the outstanding balances as on 30.9.2000 from BSNL. These BROADSHEETS have to be updated at the earliest and the figure of the outstanding balances under each long-term advance recoverable from BSNL at the end of 30.6.2002 finalized. If broadsheets are not maintained and full recoveries on a loan/ advance given by the govt. fail to take place before an employees' retirement, responsibility will be fixed on the concerned officials of both the DOT Cells and BSNL.

- (viii) **SETTLEMENT OF SUSPENSE, REMITTANCE & BANKING TRANSACTIONS PERIOD ENDING 30.9.2000:** On the formation of BSNL on 1.10.2000, the DOT could have passed on all the balances accumulated for decades by the SSA under the above heads immediately to the BSNL to adjust and capitalize. To help the BSNL reduce its balances, however, it was prescribed vide para 1(a) & (b) of this office letter no. 7-1/2000-TA-I/22 dated 4.12.2000 that the debits/ credits raised by the SSAs/ PAUs in the same circle/ by one circle another have to be settled latest by 31.12.2000. Settlement of these transactions (ATDs/ ATCs) was to be entered in the DOT's account for which a monthly Circle abstract (Cash & Stores) had to be furnished by the BSNL. These transactions have not been settled completely even up to the present. Thus the Circle abstract in this connection continues to be called for from the BSNL's units. The action required by the BSNL units on Remittance/ Suspense/ Banking items up to 30.9.2000 was again reiterated in the instructions for closure of accounts 2000-2001 (Letter No. 41-1/2001-TA-II dated 10.4.2001) and yet again for the Closure of Annual Accounts for 2001-02 (letter dated 8.4.2002.) The BSNL Circle accounting units will thus continue to submit the Circle abstract (Cash & stores) till all the O/s balances under MH-8662 Suspense A/c, MH-8782 Remittance (Different Circle + same circle), MH-8670 Drawing from Bank and MH - 8677 Remittance from Bank are adjusted or passed on by DOT to the BSNL. It is in the BSNL's own interest to ensure that the outstanding balances are cleared immediately so that only the minimum remains pending in the hands of BSNL.
- (ix) **GENERAL:** It is learnt that GPF subscriptions and recoveries against advances, CGEGIS recoveries and recoveries against loans and advances etc. are not being passed on to the DoT Cells monthly (by cheque or DD) by certain circles of the BSNL. It has now been decided that the BSNL Circle will give separate cheques in respect of recoveries of GPF, CGEGIS, Loans and Advance recoveries, Pension contribution and Leave salary

contribution to the concerned DoT Cells, with a separate schedule for each category. There is to be no netting of BSNL's claims against the GPF contribution or pension contribution or leave salary contribution etc. Also, as far as possible, a soft copy (floppy) and hard copy (printout) of the schedules is to be given.

This has the approval of Member (F) Telecom Commission.

Hindi version will follow.

DOT No. 5-3/2002-TA-1 dated 03.02.2003

To: All CCAs/ JointCCAs/ Dy. CCAs, etc.

Subject: **State of Work Report of DOT Units**

1. Kindly find enclosed the format for State of Work Report which is to be submitted monthly starting from January 2003 onwards, by DOT's Accounting Units filling up all its columns. The Report is to reach DOT Hqs by the 12th of the month following the month of transaction e.g. report for January 2003 should reach the Telecom Directorate by 12th Feb 2003.

2. Since information regarding settlement of pensionary benefits has also been incorporated in the present SWR, the separate report desired vide letter No.7-1/2000-TA1/21 dtd 20.11.2000 need not be submitted to this office from January 2003 onwards.

3. The Reports may kindly addressed to Shri Ramesh Kumar, Accounts Officer (TA-1), Room No. 918, DOT, Sanchar Bhavan, New Delhi – 110 001.

Kindly acknowledge the receipt. Hindi version will follow.

(J.K. Gupta)
Director (Accounts)

Encl: as above.

**State of Work Report for the Controller of Communication
Accounts, for the Month _____ 2003**

Name of the Unit: _____

Tel. No. _____

1A. Settlement of Retirement benefits of BSNL/ MTNL/ DOT Cell

Item	No. of cases due to be received, actually received and settled in DoT Cell during the month				No. of cases in which provisional pension issued/ reasons for delay
	A	B	C	D	
	Cases** due (including from past months)	Recd.	Settled	Balance (A-C)	
Pension*					
Commutation of pension					
DCRG					
GPF final payment					
CGEGIS/ CGEIS					
Leave encashment					

* Cases in which provisional pension is issued may not be treated as settled.

** Cases due should include all cases including death, voluntary retirement, etc.

1B. Pendency Levels in Retirement Benefits (detail of B(-)C of para 1A above may be given)

	Pension payment 1	GPF final payment 2	Commutation of pension cases 3	DCRG 4	CGEGIS 5	Leave encashment 6
A) No. of cases pending over						
1 month						
3 months						

Over 12 months						
B) Reasons for pendency						
C) Details of oldest case pending, with reasons for pendency						

2. Pendency of Credits Due

	Amount of credits received *			Month up to which received	Schedules received up to (Months)		
	BSNL	MTNL	Others		BSNL	MTNL	Others
Pension Contribution							
Leave salary contribution							
GPF							
Recovery of loans and advances (excluding GPF)							
CGEIS/ CGEGIS							
Service Tax							

* - Progressive figure of the year.

3. Opening Balances as on 1.10.2000 received from BSNL (Amount & Date of receipt)

	Amount	Date of receipt	No.of SSA Completed	No.of SSAs remaining
GPF				
Loan & Advances				

4(i) Broadsheets related to BSNL Employees

	Completed up to		Agreed with schedules up to	
	For Group D	Other than Group D	For Group D	Other than Group D
GPF				
Pension Contribution				
Leave salary contribution				
CGEIS/ CGEGIS				
loans and advances				

4(ii) Broadsheets related to MTNL Employees/ others

	Completed up to		Agreed with schedules up to	
	For Group D	Other than Group D	For Group D	Other than Group D
GPF				
Pension Contribution				
Leave salary contribution				
CGEIS/ CGEGIS				
loans and advances				

5. GPF & Loans/ Advances for DoT Cell Employees

	Ledger card posted up to	Broadsheet posted up to	Reconciled up to
GPF			
HBA			
MCA			
Others			

6A. Bank Reconciliation

	Entries in cheque register made & agreed with Circle abstract up to	Pairing, listing of unlinked items & agreement completed up to	Reasons of pendency, if any
Drawing from Banks			
Remittance to Banks			

6B. Recovery of Interest on Delayed Credit by Bank (Transactions since 1.10.2000)

Sl. No.	Name of the Bank	Amount pending for recovery (Rs.)
1		
2		
3		

7. Confirmation of RBI Balances

Month up to which statement received	
Month up to which balances confirmed to RBI, CAS Nagpur. If delayed, reasons thereof	
Any abnormality noticed	

8. Pension Paid Vouchers

From	Received up to	Checked up to	Objection statement issued up to	Reasons for delay
Post Office				
Bank				

9. Suspense items, if any

Progress in clearance of Suspense items (information as detailed in Annexure I to be furnished)	
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10. Ledger & Journals

Whether the ledger and journal are being maintained properly, and the balances carried forward whenever required after construction of trial balance monthly.	
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11. Suggestions and Remarks

Any other items considered important enough by the DoT Cell to be brought to the notice of the Directorate.	
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CERTIFICATE

CERTIFIED THAT THE INFORMATION FURNISHED IN THE REPORT ARE CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature of the Controller of Communication Accounts/
Officer in-charge of DoT Cell
With rubber stamp

ANNEXURE-1 SUSPENSE ITEMS (REFER PARA 9 OF SWR)

Sl. No.	Head of A/c	Opening balance at the beginning of month	Debit during month	Credit during month	Closing O/s balance at the end of month	OUTSTANDING BALANCE				Remarks
						Current financial year	Last financial year	Previous financial year	Total agreed with total of Col.	

								(excluding col. 8)	6	
1	2	3	4	5	6	7	8	9	10	11
1	1275-Receipt Awaiting Transfer									
2	8662 (i) PSB suspense									
	(a) Drawing from bank									
	(b) Remittance to bank									
	(ii) RBI Suspense									
	(a) IGAA									
	(b) Other									
	(iii) Other Misc. Suspense									
3	8670-Drawing from Bank									
4	8677-Remittance to bank									
5	for PAO HQ only									
	(i) PAO Suspense									
	(ii) AG Suspense									
	(iii) A/cs with Railways									
	(iv) A/cs with Defence									

DOT No. 7-18/2002/TA-I dated 13.06.2003

Subject: Merger of DoT Cells

In a workshop held on 14.2.2003 in the Telecom Directorate, it was decided that the accounting merger of the DOT Cells desired vide this office O.M. No. 34-31/2000-SEA-I dated 19.2.2002 may be done speedily now. For a merger by 1.7.03, the following accounting procedure may accordingly be followed by the DOT Cells which are to be merged with the larger DOT Cells of the territorial circles.

1. CASH BOOK:

Action by DOT Cell to be merged – The Cash book may be closed on 30.6.2003 with a nil balance. The cash balance remaining in hand is to be deposited in the accredited bank on the last working day of June 2003. No cheque/ DD received from BSNL or other offices should be left out by the transferring DOT Cell. It should be remitted to the accredited bank before 30.6.2003. No cheque or DD will be issued by the DoT Cells to be merged w.e.f. 1.7.2003. Counterfoils of the cheques remaining unutilized may please be cancelled under the proper signature of the Head of the DOT Cell/ DDO to be merged and entries made in the cheque cancellation register. Intimation of cancellation of all unused cheques will be given by the DOT Cell office (to be merged) to the CCA of the territorial circle, who will satisfy himself as to their adherence to DOT's instructions in this regard. The CCA office of the territorial circle will give the final report to DoT on this item for all the DOT Cells merged within it.

2. BANK RECONCILIATION:

It may be noted that no cheque will be issued after 1.7.2003 by the DoT Cell to be merged. Intimation will be sent to the accredited bank for the last cheque number issued up to 30.6.2003. The RBI three-digit-code of this DOT Cell will not be in operation w.e.f. 1.7.2003 for new drawings from or remittances to bank. An outstanding summary of both drawings from and remittances to bank as on 30.6.2003 may be prepared and transferred along with all registers to the DOT Cell of the territorial circle, which will further settle the outstanding transactions with the concerned accredited bank branch.

3. BROADSHEETS:

(I) GPF broad sheet (individual wise): GPF broadsheets will be closed, which will include the GPF subscriptions and recoveries from pay and allowances up to the month of May 2003 (payable in June 2003) as well as recoveries made in the supplementary bills of June 2003, including the advances and withdrawals paid in June 2003. Interest for the financial year 2002-2003 calculated by the BSNL in the individual accounts may be added by incorporating the journal entries in accounts. The final closing balance as on 30.6.2003 individual wise (including interest) may be worked out and the final figures intimated to the DOT Cell of the territorial circle. Broadsheets may also be transferred to the DOT Cell of the territorial circle, which will maintain these broadsheets from June/ July 2003 onwards. It may be ensured that no amount recoverable on account of

GPF is left with the BSNL offices while handing over the broadsheets duly completed and agreed, to the DOT Cell of the territorial circle.

(II) Loan and advance broadsheets: Broadsheets (individual wise) should be completed and the outstanding balance as on 30.6.2003 worked out. It may be noted that these broadsheets are only of the DOT fund and not of the BSNL. Outstanding balances of each category may be intimated to the DOT Cell of the territorial circle and the broadsheet handed over to them for further maintenance of these broadsheets from June/ July 2003 onwards.

(III) CGEIS & CGEGIS: CGEIS & CGEGIS broadsheets (individual wise) should be completed and credit balances worked out as on 30.6.2003. Credit balance may be intimated to the DOT Cell of the territorial circle. Broadsheets may be handed over to that DOT Cell which will maintain these broadsheets from June/ July 2003 onwards.

(IV) Regarding the broadsheets on each of the above items for the DOT Cells which are physically separate from the main office, please read para 7(ii)

4 (i) On the transfer of employees from the jurisdiction of one BSNL Telecom Circle Accounting Unit to another BSNL Telecom Circle Accounting Unit or from BSNL to DOT.

Vide this office letter no.7-1/2000-TA-I Dated 4.12.2000 it was prescribed that "on transfer of an employee from the jurisdiction of one BSNL telecom circle accounting unit to another BSNL Telecom Circle accounting unit, of from BSNL to DOT, the Last Pay Certificate will be prepared (showing all the outstanding balances of both long/ short term loans and advances and GPF balance at the credit of the employee) by the SSA/ PAU concerned and sent to the BSNL Circle headquarters for onward transmission to the DOT Cell unit". Necessary entries to this effect had to be made by the SSA/ PAU in the retrenchment registers, subsidiary registers etc. on receipt of the LPC and the DOT Cell unit had to verify the same with reference to the broadsheets maintained by it. If the balances shown in the LPC are found correct, the DOT Cell would arrive at the net balance of the outstanding balances (whether credit or debit) If the net balance worked out to be a credit or debit balance for the employees, the old DOT Cell unit would arrange to issue the cheque in favor of or prefer a claim against (as the case may be) the DOT Cell Unit under whose jurisdiction the employee has been transferred, and send a copy of the LPC to the new DOT Cell unit. In case of any discrepancies in the balances shown in the LPC, the new DOT Cell unit would then take up the matter with concerned BSNL Circle Headquarters and have the matter sorted out on receipt of the LPC, along with the cheque or claim, as the case may be. The DOT Cell unit of the Circle to which the employee has been transferred would also accept the cheque or honor the claim, making suitable entries in the broadsheet(s) maintained by it, and then pass on the LPC to the BSNL Circle Accounting Unit, with a request to effect recovery from the pay of the transferred employee. The BSNL Circle Accounting Unit concerned would pass on the LPC to the SSA/ PAU concerned for further necessary action. The SSA/PAU would thereupon take steps to from the pay of the employee concerned and follow the procedure set out in the paragraph above.

(ii) Upon merger, the work of the settlement of balances on the LPC will only be done by the 26 offices of the Controller of Communication Accounts as given in Annexure-I. Under the jurisdiction of the merger DoT Cells, there is no further requirement of issuing cheques or DD. The adjustment of the outstanding loan and advance balances, GPF credits etc. between the BSNL Circle Accounting Units of the CCA of the territorial circle will be made through the accounts. Thus, if an employee is transferred from TCO, Calcutta to Telecom Factory, Calcutta or from the Telecom Project, Calcutta to Telecom Maintenance, Calcutta the LPC received from TCO Calcutta or from Telecom Project, Calcutta and showing the outstanding balances of loans and advances and GPF credit balance will be Journalized. A journal entry is to be prepared so that proper balances can be maintained, based on the system of the BSNL Circle Accounting Unit. An example is attached at Annexure - B. It is to be clearly understood that balances and broadsheets are to be kept segregated and maintained for each BSNL Circle Accounting Unit as was done prior to the merger. The only change after the merger will be that the cheques/ DD will be issued by the Controller of Communication Accounts (DOT Cells of the territorial circles.)

(iii) It has also been observed that some DOT Cells are including the interest due on HBA or MCA in the outstanding balance to be recovered. This is not correct. Indication is to be given in the LPC but the interest NOT passed through the outstanding balance. The facts will be noted in the LPC for recovery by the subsequent office, and for the recovery of interest the subsequent office will pay by cheque/ DD to the concerned DOT Cell. For TA advance or Pay advance, which are not given from the DOT fund, BSNL will have to make their own arrangements for recovery. However, TA advance or pay advance must not form an item of the outstanding balance.

5. MONTHLY ACCOUNTS:

The monthly accounts of the merged DOT Cells will be submitted by the CCA office of the territorial circle to the Telecom Directorate separately in addition to their own monthly accounts, till such time as the transactions relating to drawings from and remittance to bank of the merged DOT Cells are finally settled.

6. SETTLEMENT OF RETIREMENT BENEFITS:

It will be the responsibility of the 26 Controllers of Communication Accounts listed in Annexure – I to settle the retirement benefits of the employees who cease be employed, including issue of their Pension Payment Orders. Thus the cases of employees who retire on 30.6.2003 will also be done by the 26 CCAs.

7. GENERAL:

(i) With effect from 1.7.2003 the BSNL Circle accounting unit will issue the cheques/DD in favor of the Controller of Communication Accounts of their territorial circles for pension and leave salary contribution, GPF subscription and recovery, Loans and advances recoveries and CGEIS / CGEGIS, and Service Tax etc. Separate cheques / DDs are required to be issued for each item as clarified in para (ix) of this letter no.7-1/2000-TA-I/17 dated 31.7.2002.

(ii) In case it is not possible to physically shift the merged DOT Cells to the building of the Controller of Communication Accounts of the territorial circle due to accommodation or staffing problems, the staff of the merged DOT Cells may continue to sit at the existing place but under the overall administrative and functional control of the concerned Controller of Communication Accounts. Further, they may continue to maintain the broadsheets of the particular BSNL accounting unit which they were maintaining previously, for the sake of convenience, apart from any other work allocated to them by the CCA. However, there should be no deviation in the accounting procedures prescribed in the earlier paragraphs of this letter.

(iii) In the State of Work report of the CCA of the territorial circle, the (segregated) status of work for the broadsheets of each of its merged DOT Cells will have to be included.

Receipt of this letter may be acknowledged. Hindi version will follow.

ANNEXURE-I

Sr. No.	DoT Cell which will remain in operation	DoT Cell which are merged in the DoT Cell mentioned in Col. 2	DoT Cell who will countersign the PPO & emboss the special seal & whom the expenditure is to be charged by the PSBs/ RBI	Remarks
1	2	3	4	5
1	Andaman and Nicobar		West Bengal	
2	Andhra Pradesh			
3	Assam	Task Force, Guwahati	Assam Telecom Circle, Guwahati	
4	Bihar		Bihar Telecom Circle, Patna.	
5	Chattisgarh		MP Telecom Circle, Bhopal.	
6	Gujarat		Gujarat Telecom Circle, Ahmedabad	
7	Haryana		Haryana Telecom Circle, Ambala	
8	Himachal		Himachal Telecom Circle, Shimla	
9	J&K		J&K Telecom Circle, Jammu.	
10	Jharkhand		Bihar Telecom Circle, Patna.	
11	Karnataka	1. Quality Assurance, Bangalore; 2. CPAO (ITI Bills) Bangalore	Karnataka Telecom Circle, Bangalore	
12	Kerala (Lakshadweep)		Kerala Telecom Circle, Trivandrum	
13	Madhya Pradesh	1. T&D Circle, Jabalpur; 2. BRBRAITT, Jabalpur; 3. Telecom Factory, Jabalpur.	MP Telecom Circle, Bhopal	
14	Maharashtra (Goa, Dadra & Nagar Haveli)	1. Western Telecom Project, Mumbai; 2. Western Telecom Mtce. Region, Mumbai; 3. Railway Elect. Project, Nagpur; 4. Telecom Factory, Mumbai.	Maharashtra Telecom Circle, Mumbai.	
15	North East – I States: 1. Meghalaya, 2. Tripura, 3. Mizoram		North East – I Telecom Circle, Shillong.	
16	North East – II States: 1. Arunachal Pradesh, 2. Nagaland, 3. Manipur		North East – I Telecom Circle, Shillong.	
17	Orissa		Orissa Telecom Circle, Bhubaneswar.	
18	Punjab (Chandigarh)		Punjab Telecom Circle, Chandigarh.	
19	Rajasthan		Rajasthan Telecom Circle, Jaipur.	
20	Tamil Nadu (Pondicherry)	1. Chennai Telephones; 2. Southern Telecom Mtce. Region Chennai; 3. Southern Telecom Project, Chennai.	T.N. Circle, Chennai.	
21	UP (East)		U.P. (East) Telecom Circle, Lucknow.	
22	UP (West)		U.P. (East) Telecom Circle, Lucknow.	
23	Uttaranchal		U.P. (East) Telecom Circle, Lucknow.	
24	West Bengal	1. Eastern Telecom Mtce. Region, Kolkata; 2. Eastern Telecom Project, Kolkata; 3. CGM, Telecom Stores, Kolkata; 4. Telecom Factory, Kolkata; 5. TCO, Kolkata.	West Bengal Telecom Circle	
25	Kolkata Telephones		West Bengal Telecom Circle	
26	NTR, New Delhi	1. ALTTC, Ghaziabad; 2. NES, New Delhi; 3. RABMN Data Network, New Delhi; 4. Northern Telecom Project, New Delhi.	NTR, New Delhi	

ANNEXURE – II

Shri 'A', JAO transferred from TCO Calcutta (BSNL) on 3.5.2003 to Telecom Project Circle Calcutta (BSNL). LPC issued on 5.5.2003 shows the following balances.

	(Rs.)	
HBA Advance (Principal) ---	30000	
Scooter Advance (Principal) ---	5000	
GPF A/c No. ___ Balance ---	120000	
Journal entry to be passed on in the office of Controller of Communication Accounts, W.B. Circle, Calcutta.		
Head of Account/ Nature of Transaction	Dr	Cr
761001201 (HBA advance of Shri. 'A' transferred from TCO, Calcutta)	(-) 30000	
761001201 (HBA advance of Shri 'A' on transfer of TCO, Calcutta to Telecom Project Circle, Calcutta.	(+) 30000	
76100120203 (Scooter advance of Shri 'A' on transfer from TCO, Calcutta (BSNL)	(-) 5000	
76100120203 (Scooter advance of Shri 'A' on transfer from TCO, Calcutta to Telecom Project Circle, Calcutta. (BSNL)	(+) 5000	
80090110101 (GPF Credit balance of Shri. 'A' on transfer from TCO, Calcutta (BSNL)		(-) 120000
80090110101 (GPF Credit balance of Shri 'A' on transfer from TCO, Calcutta to Telecom Project Circle, Calcutta. (BSNL)		120000
	0	0
Note: In monthly accounts adjustments will be nil in the DoT Cell, West Bengal Telecom Circle, Calcutta, but broadsheets relating to TCO, Calcutta and Telecom Project Calcutta will be posted from this journal entry.		

DOT No. 7-1/2000-TA-I/23 dated 17.12.2004

Subject: Accounting & Budgeting Transaction of Vigilance and Telecom Monitoring Units (VTM)

Consequent upon formation of three VTM units at Delhi, Mumbai and Hyderabad vide this Directorate's OM No 1-50/2003-Estt. Dated 4th November 2004 the following accounting instructions are issued:

1. Each VTM will declare one officer in the unit as a DDO who will not have any cheque drawing powers.
2. Each VTM Unit will maintain the Pay Bill Register (PBR) and other bill registers as prescribed in relevant Rules.
3. DDOs will submit their claims duly passed by the head of the VTM unit for precheck and payment to the concerned CCA office duly supported by necessary vouchers/ schedule & other information as required by CCA for precheck.
4. Each head of VTM Unit will forward the specimen signature of their said DDO to the concerned CCA Office to enable CCA Office to accept and admit the claims preferred by them.
5. Each DDO of the VTM unit will maintain a Cash Book in Form G.A.R.3. All monetary transactions should be entered in the cashbook as soon as they occur and attested by the Head of the VTM Office in token of check.

Exceptions:

(a) An 'Account payee' crossed cheque or bank draft drawn in the personal name of recipient (Govt. servant or third party) by the Communication Accounts Officer and routed through the DDOs merely for the purpose of delivery to the recipient need not be entered by the DDOs in their Cash Book, the delivery of such cheque or draft to the concerned party may be recorded in and watched through a separate 'crossed cheques and bank draft transit register'. Therefore, only the cheques, which are encashable in their capacity as DDO for arranging payment in cash, need be entered in the Cash Book.

(b) Receipts in the form of local cheques, or demand drafts (to be crossed) should be obtained so as to be drawn in favor of Concerned Communication Accounts Officer and need not be entered in the Cash Book, but should be entered in the register of valuables (Form GAR 5) and remitted into the accredited bank duly supported by challans for credit to Govt, account through the concerned Communication Accounts Officer.

6. The concerned head of VTM unit will formulate the requirement of funds and will communicate the same to the Budget Section of DOT (HQ) for allotment of funds. Budget Section will allot funds to VTM with a copy of the same to the concerned CCA. The head of the VTM unit will certify availability of funds on each bill under the relevant head and submit to the CCA Office for payment.

7. The procedures regarding receipts and payment as contained in Swamy's Compilation of Central Government Account Receipts & Payment Rules and other Departmental Codes may be followed.

8. The Controller of Communication Accounts will exercise necessary checks on, receipt of duly passed bills from the VTM unit as per provisions contained in the GFRs and other Departmental Codes and thereafter issue cheques against the bills.

9. The expenditure relating to VTM unit will be accounted for under the following heads of accounts and will be included in the monthly accounts of the concerned CCA:

Major Head 3451	Secretariat Economic Services
Minor Head 345100091	General administration, Deptt. of Telecom.
Subhead Head 3451009101	Directorate

Detailed Object Head

01	Salaries
02	Wages
03	Travel Expenses
05	Office Expenses
06	Payment to Professional & Special Services
07	Rent, Rates & Taxes
08	Advertisement, Sales & Publicity Expenses
11	Hospitality Charges
13	Other Charges
14	Overtime Allowances
15	Medical Treatment

10. The concerned CCA will maintain the GPF accounts of the concerned VTM unit as is being done in respect of the subscribers of his office. They will also perform the works relating to GPF final payment cases and other allied works relating to maintenance of GPF accounts, loans and advances, CGEGIS/ CGEIS, LS/PC, etc.

11. Retirement benefit cases and other payment on retirement will also be done by the concerned CCA in the manner it is being done in respect of officials retiring from the CCA offices.

12. CCA will maintain Broadsheets and other subsidiary Registers in respect of VTM unit as is being done for the CCA offices.

13. Copy of incoming and outgoing LPCs should be sent to the Communication Accounts Officer of CCA office by the DDO of the VTM unit concerned.

14. The accounts of the VTM unit will be subject to Audit by the P&T Audit offices and internal check will be carried out by the I.C. Unit of DOT(HQ).

15. Clarification, if any, required in implementing these accounting instructions may be referred to ADG (DCA) of this Directorate.

DOT No. 4-2/2001-B dated 05.05.2005

Subject: Payment of Remuneration for Disbursement of Pension through Post Offices to Telecom Pensioners

References are being received from various CCAs/ Jt. CCAs for guidance regarding payment of service charges for disbursement of pension claimed by various postal circles. The matter was taken up with the Postal Directorate for furnishing the information regarding charges per transactions. DoP has now intimated the following rates for the period mentioned against each.

Year	Rate per Payment
01-10-2001 to 31-03-2002	Rs. 55/-
2002-2003	Rs. 58/-
2003-2004	Rs. 61/-

The matter is now required to be taken up with Budget Division of MoF for budget provision.

You are, therefore, requested to intimate the total financial implication, indicating number of transactions, for each year separately starting from 1-10-2001 at the above rates.

Since the rates for the years 2004-05 and 2005-06 are yet to be finalized by DoP, estimated amount with number of transactions for these years may also be furnished.

DOT No. 7-1/2000/TA-I/17 dated 09.05.2005

Subject: Levy of Interest on Bharat Sanchar Nigam Limited for Delay in Remittance of LS/ PC GPF, Loans & Advances, CGEGIS/ CGEIS Credits/ Recoveries made from Salary of Absorbed Employees/ Employees on Deemed Deputation to CCAs

It has been noticed that the remittances of the above mentioned recoveries to CCA offices are often delayed by BSNL circles. References have been received from CCAs on the rate of interest to be charged on these delayed remittances:

The matter has been referred to the Ministry of Finance for their final decision pending which provisional rate of interest on these delays may be charged at the following rates:

- | | |
|--|--|
| (i) Delay in remittance of LSC/ PC: | As per SR 307(I) |
| (ii) Delay in remittances of GPF/ L&A: | 2.5% above the applicable rate of interest. Interest will be charged from 1 st of the month following recovery, if payment is not made by the specified date. |
| (iii) In case of CGEGIS/ CGEIS: | 2.5% above the ruling rate of interest on CGEGIS per annum (compounded quarterly) Interest will be charged from 1 st of the month following recovery, if payment is not made by the specified date. |

Claims, if any, by BSNL on the CCAs/ DoT may be preferred separately. No netting is allowed to be made from the recoveries, and any other amount due and payable to CCAs/ DoT.

DOT No.7-1/2000-TA-1/22 dated 19.05.2005

Subject: Clarification regarding Unclassified Suspense Account on Account of Recoveries made from DCRG of BSNL Staff

With reference to your above cited letter it is intimated that instructions have already been issued by this Directorate for not netting off any claims vide this office letter of even no. dated 31.7.2002. Accordingly CCAs should promptly raise demands against BSNL whenever they have a due and in the same way BSNL claims also need to be returned/ refunded promptly.

In the present context, CCAs are making various types of recoveries i.e. loans and advances, rent of staff quarters, unutilized LTC/ TA advances, overpayment of salaries etc. from DCRG payable to BSNL staff at the time of their retirement and booking under Unclassified Suspense Account which needs to be cleared.

In order to clear the Suspense Account, CCAs should make a monthly review of such suspense booking and evaluate as to whom the recovery belongs to i.e. DOT or BSNL and refund it to BSNL if it belongs to BSNL.

DOT No. 7-7/2000-TA-I dated 15.06.2005

Subject: Recovery and Verification of Pension Contribution from BSNL

Attention is invited to this office OM of even No. dated 19.1.2001 in which instructions were issued for calculation of Leave Salary Contribution/ Pension Contribution, submission of schedules thereof, remittance of LSC/ PC by BSNL to CCA offices. On receipt of cheque and LSC/ PC schedule, CCA offices are required to maintain group-wise, cadre-wise, individual-wise ledger and make entries for recovery of monthly LSC/ PC against individual name along with schedule number and cheque number and the date. Since the service books are maintained in SSA/ PAU in BSNL units, the entries for recovery of LSC/ PC requires authentication, at least once a year, by inspection teams from CCA offices.

In view of the recent cabinet decision regarding payment of pension contribution as per FR-116 by BSNL for its absorbed employees as well as for those on deemed deputation, the above instructions assumes greater importance. Therefore all CCAs may please ensure that the above instructions are scrupulously followed and satisfy themselves that due amount of pension contribution has been paid by BSNL and accounted for in government accounts.

In order to ensure that the due amount of Pension Contribution has been received from BSNL, CCAs offices may please review the schedules received from BSNL, work out the due amount of Pension Contribution right since 1.10.2000 upto 31.3.2005, and compare it with paid amount. This review may please be completed for the period from 1.10.2000 to 31.3.2005 and a certificate may be furnished to that effect to this office by 07.07.2005.

It may also be ensured that in terms of above mentioned order, inspection of Service Books may be carried out inter alia authenticating the LSC/ PC entries made.

Receipt of this letter may kindly acknowledged.

Reminder to above letter issued vide circular of even no. dated 18.07.2005

DOT No.5-3/2002-TA-1 dated 23.08.2005

To: All (Joint/ Dy.) CCAs; IFA, TEC; PAO(HQ); Dir. (Accounts & Admin.), TDSAT.

Subject: Proforma of State of Work Report of DOT Units – Insertion of Col. 11 for Settlement of Pensioners' Grievances

Kindly refer to this office letter of even no. dated 3.2.2003 on the above subject. It has been decided by the competent authority that a column relating to settlement of Pensioners' Grievances be added/ inserted at serial no.11 as follows, in the ensuring SWRs due from August 05 onwards.

11(A) Settlement of Pensioners' Grievances

O.B.	No. of cases received during the month	Total (1+2)	No. of cases settled during the month	Closing Balance	Reasons for pendency
1.	2.	3.	4.	5.	6.

(B) Breakup of col. 5 of serial 11 (A)

Below 1 month	Pending over 1 month	Pending over 3 months	Pending over 12 months	Total of 1 to 4
1	2	3	4	5

Note: (I) Total in Col.5(B) should agree with C.B. of Col.5(A)
 (II) Details/ breakup of Col.5 i.e. no. of cases may be furnished in a separate sheet (Annexure) for:
 1. Pension 2. Commutation of Pension 3. DCRG 4. GPF
 5. CGEGIS/ CGEIS6. Leave encashment 7. Others

(Rajeev Kumar)
 Director (Accounts)

DOT No. 7-7/2000/TA-I dated 29.08.2005

Subject: Recovery and Verification of Pension Contribution from BSNL

Attention is invited to this Directorate letter No. 7-7/2000-TA-I dated 15.6.2005 followed by reminders of even no. dated 18.7.2005 in which instructions were issued to review the schedules received from BSNL, work out the due amount of pension contribution right since 1.10.2000 to 31.3.2005, complete it with paid amount and furnish a certificate to that effect to this office by 7.7.2005.

Most CCAs are yet to furnish the required certificate. Member (Finance) has viewed this seriously and desired that this work may be completed on priority.

It is expected that CCA will have ensured, that

(1) Group wise and cadre wise number of employees (i) as per staff/ admn. statistics; (ii) as per pay bills and (iii) as included in the schedule, are agreed in respect of all the SSAs in their BSNL circle so as to make sure that the pension contribution is recovered in BSNL.

(2) Monthly schedules received from BSNL are checked in CCA office so as to make sure that the due payment of Pension Contribution in respect of each employee and total amount of all employees worked out/ included in the schedule is correct.

(3) Total amount included in monthly schedule of all the SSAs remitted by BSNL circles is being reconciled regularly every

month in CCA offices.

Therefore, it is impressed upon all the CCAs to complete the exercise/ actions on above lines for the period from 1.10.2000 to 31.3.2005 latest by 30.11.2005 in a time bound manner say one or two years, in each month from now onwards, if not done so far, and furnish the required certificate as called for in this Directorate letter No. 7-7/2000-TA-I dated 15.6.2005. CCAs may have to continue the same action/ exercise for the period 1.4.2005 and onwards also.

DOT No. 7-1/2000/TA-I/17 dated 24.01.2006

Subject: Audit of Pension Payment Vouchers

Of late a number of Draft Audit Paras have been received from P&T Audit on failure of auditing of pension payment vouchers resulting in excess payment to the pensioners of various circles. The overpayment could have been avoided had the necessary audit of pension payment been done on time. The causes of overpayment are mainly on the following grounds.

1. Payment of pension relief at CDA rate instead of IDA rates.
2. Payment of enhanced family pension beyond the date as indicated in PPO.

It is reiterated that the responsibility of auditing pension payment is an important duty of the PPO issuing Authority i.e. CCA. It has however been observed that Pension Voucher Audit is not being given due importance, as a result of which overpayment of pension being made by the concerned bank remains undetected and invites adverse comments from audit.

Member (Finance) has viewed the above very seriously and desired that the pending work in regard to checking of pension payment is undertaken and completed with in a time bound programme and the result reflected in the monthly state of work report on regular basis.

The receipt of this letter may please be acknowledged

DOT No. 6-42/2005/TA-I dated 14.02.2006

Subject: Schedule of Payment of License Fees/ Spectrum Charges by Telecom Operators (Remittances to RBI/ SBI by CCAs/ PAO-HQ)

It has come to the notice of this office that the instruments for paying License fee and spectrum charges by Telecom operators which are received on Friday/ last working day of the week are being deposited on Monday.

It has now been decided that all such instruments received on Friday or where the next day following the due date happens to be a non working day/ Saturday, the concerned should ensure that the instruments are remitted to RBI/ SBI by Saturday itself.

This is to be done by calling the necessary staff to office. Furthermore, the credit of the instruments remitted is also to be followed up with RBI/ SBI to ensure that there is no undue delay by the bank in crediting them to the Government Account. This issues with the approval of Member (F).

Extract

DOT No. 15-10/2006/LF dated 20.03.2006

Office Memorandum For Introduction of
Challan System
For Receiving License Fees And Spectrum Charges

Subject: System for Receipt of License Fee and Spectrum Charges in the Department of Telecom Head-quarters and the Controller of Communication Accounts Offices

XXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXX

...License Fee and Spectrum Charges from commercial Telecom Service Providers licensed under Section 4 of Indian Telegraph Act 1885 were being received directly by the Department of Telecom, Headquarters. Subsequently, the collection of

these statutory levies was decentralized in respect of Access Service Providers to the Controller of Communication Accounts. Following decentralization of collection of License Fee/ Spectrum charges from BSNL, CCA Delhi has started collecting License Fee for NLD service of BSNL.

.....[The] process of receiving a payment and issuing an acceptance is being **revised** following the approvals accorded by the competent authority. The new system, shall become effective from April 1, 2006.

.....A **system of challans is being introduced** which has to be uniformly adopted in DoT Headquarters, as also CCA offices for receiving payments from various telecom service providers. The proforma of the challan, which has to be in triplicate, is annexed to this memorandum. The challan form can be downloaded from DoT website www.dot.gov.in and shall be used for making payments for License Fee as also Spectrum Charges.

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX

[Note: This circular is printed in full under Chapter 5 on LF.]

DOT No. 7-1/2000/TA-I/17/pt. dated 21.06.2006

Subject: Accounting Procedure to be followed in BSNL/ DOT Cell Units

A Reference is invited to Para I(d) of this Office Circular No.7-1/2000-TA-1/22 dated 4.12.2000 on the above subject. It was stipulated that the amount of GPF, HBA, MCA, Scooter advance, Cycle advance, CGEGIS etc. shall be passed on to the DOT cell units before 10th of every month following the month of transaction. This has been examined and decided that the amount pertaining to the above recoveries will be passed on by BSNL Circle Head Quarters to the DOT Cell units before 15th of every month following the month of transaction.

The above decision will take effect from the date of issue of this letter.

DOT No. 7-1/2006/TA-1 dated 02.11.2006

Subject: Payment of Statutory Dues to DOT Cell - Levy of Interest for Delay in Remittances

Kindly refer to your letter No. 500-57/2006/CAII/BSNL/Vol-II dated 14th June, 2006 on the above subject.

The issues raised therein have been examined and following are clarified:

1. Regarding date of effect of this office letter No. 7-1/2000/TA-I/17 dated 09.05.2005 it is intimated that the case has been referred to Ministry of Finance. Further communication will follow on receipt of a reply from them.
2. Regarding date of remittance of LS & PC the due date prescribed in this office letter No. 7-1/2000/TA-1/17 dated 31.7.2002 will hold good. As for charging interest on delayed remittance each CCA will maintain a register to watch the recovery of LS & PC on month to month basis and consolidate the same at the end of each year to ensure that the total dues recoverable from BSNL has been received in full for the year as a whole and there is no shortfall. If, however, there is any shortfall and not received within 15 days from the end of each financial year, interest for that amount may be recovered as per provisions contained in SR 307(1). The proposal for treating the monthly deposit as an advance deposit can not be agreed to.
3. The due date of remittance of GPF and Loans and Advances has since been modified vide this office letter No. 7-1/2000/TA-I/17/Pt. dated 21.06.2006.
4. Regarding netting between the claim of DOT and BSNL it is intimated that as per this office letter No. 7-1/2000/TA-I/17 dated 31.7.2002 no netting is permissible and these instructions will hold good. However, concerned BSNL Circle will consolidate the GPF payment (withdrawal and advances) after closure of each month accounts and raise a debit claim to the concerned CCAs with supporting voucher (details) and the same will be settled within seven days of receipt. This will take effect from the month of November, 2006 accounts.

As regards recovery of dues from DCRG, BSNL should indicate in the Last Pay Certificate (LPC) as to whether the outstanding amount on various counts like HBA Car, Computer etc relate to DOT or BSNL and in case of BSNL to whom it should be remitted. In the absence of this indication in the LPC it would not be possible for CCA to determine the amount so recovered to be remitted to BSNL or other authority. In absence these indication delay of remittance will not be on the part of CCA offices but will be on BSNL.

A copy of this letter is being endorsed to all CCAs for necessary action at their end.

DOT No. 7-36/2006/TA-I dated 04.12.2006

Subject: Payment of Salary through Electronic Clearing Services (Debit Clearing)

Consequent upon introduction of Banking Cash Transaction Tax from 1st June, 2005 Ministry of Finance have issued direction to take step to minimize the Banking Cash Transactions Tax liabilities, one of which is that all the Government employees should ensure that they open Bank account and accept their salary payment through Bank.

It is, in this background, intimated that RBI has 15 Centers and SBI has 30 Centers where ECS (Credit clearing) is available. A copy of the list of such ECS centers (both RBI and SBI) is enclosed.

All the concerned Sr. CCAs/ CCAs are requested to consult their Banks viz, RBI/ SBI for implementation of salary payment through ECS at the earliest not later than 28.02.2007 and compliance reported to this for information of Member (F).

CCAs which are not covered under the ECS Centers referred to above may also consult their Bank for necessary action if ECS (credit clearing) centers have been opened and take similar action as above.

Annexure

Centres where ECS (Credit clearing) is available at present

A: Offered by Reserve Bank of India

- | | |
|----------------|------------------------|
| 1. Ahmedabad | 9. Jaipur |
| 2. Bangalore | 10. Kanpur |
| 3. Bhubaneswar | 11. Mumbai |
| 4. Calcutta | 12. Nagpur |
| 5. Chandigarh | 13. New Delhi |
| 6. Chennai | 14. Patna |
| 7. Guwahati | 15. Thiruvananthapuram |
| 8. Hyderabad | |

B: Offered by State Bank of India

- | | |
|----------------|-------------------|
| 1. Agra | 16. Ludhiana |
| 2. Allahabad | 17. Madurai |
| 3. Amritsar | 18. Mangalore |
| 4. Baroda | 19. Nashik |
| 5. Bhopal | 20. Panaji |
| 6. Cochin | 21. Pune |
| 7. Coimbatore | 22. Rajkot |
| 8. Dehradun | 23. Shimla |
| 9. Durgapur | 24. Siliguri |
| 10. Faridabad | 25. Surat |
| 11. Ghaziabad | 26. Trichy |
| 12. Hubli | 27. Trichur |
| 13. Jamshedpur | 28. Vijayawada |
| 14. Kolhapur | 29. Visakhapatnam |
| 15. Lucknow | 30. Varanasi |

C: Offered by State Bank of Indore

1. Indore

DOT No. 7-1/2000/TA-I KWI/17 dated 09.12.2006

Subject: Pay Fixation under FR22(I)(a)(i) to JTOs and SDEs on their Vertical Promotion after Lateral Advancement Benefit

The undersigned is directed to refer to this office O.M. NO.I-4 (34)/2000-PAT dated 05.09.2006 and of even no. dated 03.11.2006 on the above subject and to say that Estt. branch of this office on queries from various CCAs has clarified the following.

So far as the O.M. dated 5.9.2006 is concerned, it is very clear and speaks about the withdrawal of benefit of double pay fixation under FR 22(l)(a)(i) with respect to the JTO/ SDE on their vertical promotion after getting Lateral Advancement. It is clear that no such benefit will be extended in future i.e. after 5.9.2006. The O.M. does not affect the employees who have already got the benefit up to 4.9.2006.

Based on above the pension cases may be examined and wherever necessary may be revised accordingly.

DOT No. 4-2/2001-B dated 11.01.2007

Subject: Payment of Service Charge towards Disbursement of Pension to Telecom Pensioners through Post Offices

Kindly refer to this office letter of even number dated 23.2.2006 whereby it was requested to make provisional payment at the rate of Rs.61/- for the year 2004-05 and 2005-06.

The final rates for the year 2004-05 and 2005-06 have since been received from DoP. The claim for the year 2004-05 and 2005-06 may be settled @ 63/- and Rs.67/- respectively.

The rates for the year 2006-07 will be communicated on receipt of the same from DoP.

DOT No. 5-3/2002-TA-1 dated 30.03.2007

To: All (Joint/Dy.) CCAs; IFA, TEC; PAO(HQ); Dir. (Accounts & Admin.), TDSAT

Subject: Proforma of State of Work Report of DOT Units – Insertion of Col. 12 for Settlement of GPF Cases

Kindly refer to this office letter of even no. dated 3.2.2003 on the above subject. It has been decided by the competent authority that a column relating to re-imbursalment of GPF claims received from BSNL be added/ inserted at serial no.12 in the ensuing SWRs due from April 07 onwards.

12. Settlement of Re-imbursalment of GPF Claims Received from BSNL

Total amount of claims with receipt of date	Amount settled & Cheque Nos. & date of issue	Amount pending	Reasons for pendency
1	2	3	4

(Darshana Momaya Dabral)
Director (Accounts)

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E. Miscellaneous Circulars & Orders

DOT No.33-23/2002-SEA-I dated 30.09.2002

Subject: Submission of Quarterly Establishment Return

The undersigned is directed to say that in the absence of complete information, as required in the enclosed prescribed proforma, it has become difficult for SEA branch of DOT (HQ) to process the cases for promotion, posting and transfer of officers belonging to Groups A, B, C & D.

It is, therefore, requested that henceforth the Quarterly Establishment Return (as in the proforma enclosed) must be sent by 10th of the following month of the due quarter month.

It is further requested that the data, as on date, may please be sent in the prescribed proforma, immediately.

Enclosed: Proforma

ANNEXURE – B

Consolidated Statement

		SAG	JAG	STS	JTS	Sr. AO/ AO	AAO/ JAO	Group 'C'	Group 'D'
1.	Total Sanctioned Strength								
2.	Break-up of Total Working Strength								
	(a) Regular								
	(b) Adhoc								
	(c) Offg								
	(d) Deptn								
	(e) On dual charge								
3.	Vacancy Position (1-2)								

Signature
Designation with Rubber Stamp

Annexure A

Post-Wise Details of Group A, B, C And D

Name of the Office of Controller of Communication Accounts:

Sl.No.	Grade	Designation	Sanction No. and date	Whether fresh/ creation or tfd	Transfer No. & date if transferred	Date of filling up	Name of the officer holding the post with staff no.	Whether the officer is Reg/ Adhoc/ Offg/ Deptn or on dual charge	Date since when working in CCA

No. 500-87/2004-05/ CA-IV/ BSNL (Part) dated 22.06.2005

To All CGMs of BSNL's Territorial Circles and Metro Districts (Chennai and Kolkata)

Subject: Payment of Spectrum charges for the Financial Year 2005-06.

Kindly refer to this office letter of even number dated 27-12-04 and 05-01-2005 wherein instructions were given for payment of Spectrum charges by the Circles to the respective CCAs from the IVth Qtr. of 2004-05 onwards. Subsequently, as per decision taken by the competent authority of Corporate Office, Spectrum Charges for all the quarters of 2004-05 and Spectrum Charges for 1st Qtr. of 2005-06 had been paid centrally by Corporate Office for BSNL as a whole.

2) However, as per the latest order of DOT communicated under No. WFD/1018/2004 dt. 04.05.2005 the spectrum charges from the IInd Quarter of 2005-06 onwards will have to be paid by the Circles to the respective CCAs of the Circles as per the rates prescribed by DoT time to time. The rates prescribed by DoT for Financial Year 2005-06 are enclosed as Annexure 'A'.

3) The spectrum charges (for CDMA & GSM Spectrum) on revenue sharing basis are payable on quarterly basis in advance. The payment of spectrum charges are due on the 1st day of the 1st month of each quarter i.e. 01.01.xxxx, 01.04.xxxx,

01.07.xxxx & 01.10.xxxx ('xxxx' denotes year). However the licensor i.e. DOT has allowed a further period of 15 days from the commencement of the quarter for payment of spectrum charges. So the last date of payment of quarterly spectrum charges is 15th of 1st month of each quarter.

4) Since quarterly spectrum charges are payable in advance, the same may be calculated on the basis of estimated AGR of the quarter on accrual basis. The estimated AGR shall be worked out based on the actual AGR of previous quarter and also the growth of revenue expected during the current quarter.

5) Penal interest will be levied for delayed payment of quarterly spectrum charges on the same terms and conditions as in the main DOT license agreement. At present the rate of interest is Prime Lending Rate (PLR) + 5%. The interest will be compounded monthly, and a part of the month will be reckoned as a full month for the purpose of calculation of interest.

6) As the quarterly spectrum charges will be paid on estimated AGR in advance calculated on accrual basis, there may arise difference in estimated and actual AGR (which will be known at the end of the quarter) and there may be excess or short payment of spectrum charges. In case the amount of spectrum charges paid on estimation basis falls short by over 10% of the payable spectrum charges, a penalty of 150% of the entire amount of the short payment is leviable. However, if such short payment is made good within 60 days from the last day of the financial year, no penalty shall be imposed by the licensor.

7) In order to avoid penalty for short payment (as mentioned in Para 6 above) the Circles must ensure that the quarterly estimated AGR and quarterly actual AGR are reconciled, and short payment if any, are paid/adjusted in the subsequent quarter. In the case of payment of Spectrum Charges relating to last quarter, it should be paid / refund claimed.

8) The payment of spectrum charges is to be made through DD/Pay orders only. Along with DD/Pay order the estimated AGR shall be submitted to the CCAs. At the end of the quarter in question the Actual AGR of that quarter shall be prepared based on the actual revenue of that quarter, the same shall be got audited by Branch Auditor and shall be submitted to the CCAs along with the payment of License fee for the said quarter. The copies of quarterly estimated AGR and actual AGR (as audited by the Branch Auditor) should be submitted to this office along with the audited quarterly AGR for license fee.

9) The spectrum charges for the 1st quarter of 2005-06 have been paid by Corporate Office. The details of estimated AGR and spectrum paid for the 1st quarter of 2005-06 are furnished in the enclosed Annexure - 'B'. The actual AGR for the 1st quarter of 2005-06 shall be submitted to the CCAs as well as to this office.

10) The quarterly estimated spectrum charges shall be debited to the respective expenditure accode and credited to provision accode under 120 & 420 schedule. Actual payment shall be debited to provision accode. Similar entries shall be passed for short payment as mentioned in Para 7 above.

11) The ATD for the spectrum charges for the 1st quarter of 2005-06 paid by corporate office is being sent to your Circle by the PAO (HQ), Corporate Office which shall be accepted and debited to respective accode of expenditure schedule.

12) Kolkata Telephone District shall pay the spectrum charges to Sr. CCA Kolkata and West Bengal Telecom Circle to CCA West Bengal.

This may be treated as most urgent.

(S.Krishnamurthy)
Jt.DDG (CA-II)

Copy to: 1) GM (F) / IFA of Territorial Circles/ Metro Districts of BSNL, 2) DDG (LF), DOT, 3) DDG A/C, DoT, 4) DDG (WPF), 5) Controller of communication Accounts, 6) Director (R-WPF), 7) DDG (CA)/ Jt.DDG (CA)/ All ADGs CA Section, BSNL C.O.; 8) RAO P&T, BSNL HQ.

DOT No. 7-5/2004-Fin. dated 16.02.2006

Subject: Payment of Postage Charges to the Department of Posts on the Mail emanating from CCA Offices

The issue relating to payment of postage charges on the official mail emanating from CCA offices, was under consideration in the DoT, HQ. In this regard, it is intimated that it has been decided by the competent authority that Department of Telecommunications will make payment towards the postage charges on the official mail originating from the CCA offices to the Department of Posts. Necessary arrangements may kindly be made in this regard.

DOT No. 4-2/2001-B dated 23.02.2006

Subject: Payment of Remuneration for Disbursement of Pension through Post Offices to Telecom Pensioners

References have been received from various CCAs/ Jt.CCAs regarding payment of service charges to Deptt. of Posts for disbursement of pension through Post Office. It has been decided by the competent authority to make the payment to the Deptt. of Posts at the rates communicated vide this office letter No.4-2/2001-B dated 05/05/2005 which are as follows:

1-10-2001 - 31-3-2002	-	Rs. 55/-
1-04-2002 - 31-3-2003	-	Rs. 58/-
1-04-2003 -31-3-2004	-	Rs. 61/-

The rates for the years 2004-05 and 2005-06 will be communicated in due course.

No. 500-87/2005-06/ CA-IV/ BSNL 26.04.2006

To IFAs of all Territorial Telecom Circles (Except Uttaranchal & Chhattisgarh)

Subject: Spectrum Charges for MW access and backbone networks of cellular networks from 1st April 2006 onwards.

As per the DoT order no. L-14047/01/2002-NTG dated 18th April 2002(Copy enclosed), BSNL is required to pay Spectrum Charges for Micro Wave access networks (normally in the frequency band of 10 GHz and beyond). The rate of Spectrum Charge is as under depending upon the Spectrum Bandwidth allotted –

For spectrum bandwidth up to 112 MHz in any of the Circles, or 224 MHz in Kolkata and Chennai metros, spectrum charges shall be @ 0.25% of AGR per Annum.

BSNL Corporate office has made a payment of Rs.18 Crs. towards spectrum charges for Micro Wave Access networks on behalf of all the circles for 2005-06 (Details enclosed), the ATDs for which has already been sent to you. You are requested to adjust the spectrum charges at the time of final computation of Spectrum charges. The payment of 0.25% of AGR of Cellular Mobile Telecom Service is over and above the Spectrum Charges of 3% and 4% as communicated by this office letter no. 500-87/ 2004-05/ CA-IV/ BSNL dated 22-06-2005.

In view of above referred order of DoT, your circle is requested to make the payment of 0.25% of AGR of CMTS w.e.f. 01-04-2006 in addition to the spectrum charges already being paid by your circle on quarterly basis as per the established schedule of payment of Spectrum Charges i.e. in advance for the quarter within 15 days of the commencement of that quarter.

Encl: As above

**(P.K.Purwar)
DDG (CA)**

DOT No. 18-06/2006-SEA-I dated 12.05.2006

Subject: Instructions for Heads of Office of CCAs regarding Observance of Protocol with regard to the Visit of Senior Officers from DOT, HQs

When senior officers from DOT Headquarters are visiting various circles of BSNL as well as the field offices of DOT, it is requested that the head of the concerned CCA should invariably call on the officer and apprise him/ her of the status of work in the unit.

DOT No. 33-23/2002-SEA-I dated 22.05.2006

Subject: Submission of Quarterly CCA Report

The undersigned is directed to say that a quarterly consolidated statement regarding the various works being done by CCA office is to be submitted. This report is in addition to the reports already being submitted by CCA offices to other units of DOT, HQ.

The quarterly CCA report (as per the proforma enclosed) must be sent by 10th of the following of the due quarter month. The quarterly CCA report for the quarter ending June 2006 is to be submitted by 10th July, 2006.

It is further requested that the data for the quarter ending June 2006 may be sent by due date so that the same can be put up to Member (F) for information.

PROFORMA

A. Revenue

- 1) License Fee
 (a) Number of licensees in the circle service wise
 (b) License fee collection: Target Actual
 (c) Universal Access Levy: Target Actual
 (d) Information regarding financial bank guarantees being maintained with their validity date
- 2) Spectrum Fee
 (a) Name and number of service providers in the circle service wise
 (b) Spectrum charges collected: Target Actual
- B. Universal Service Obligation Fund
 1) Amount disbursed during the quarter along with the name of the operator
 2) Pendency in broadsheets related to BSNL/MTNL employees with respect to GPF, Pension contribution, leave salary contribution, CGEGIS, loans and advances. The reasons for pendency of work need to be enumerated.
 3) Position of posting of pension vouchers and date up to which checked. Reasons for delay, if any.
- D. Issues pending in DOT, if any: Details of the reference made along with the reference details.
- E. Any important significant event that has occurred during the quarter.

DOT No. 33-23/2002-SEA-I dated 25.05.2006

Subject: **Submission of Quarterly Establishment Return for the Quarter ending 31.6.2006 onwards reg.**

I am directed to refer to this office letter of even number dated 25/30.9.2002 on the subject mentioned above and to say that Annexure 'B' of the Quarterly Establishment Return (QER) has been slightly modified (copy enclosed).

2. It is, therefore, requested that from the quarter ending 30.6.2006, the QER may please be sent in the prescribed proforma with the modified Annexure 'B'. It is also requested to send the return regularly and by 10th of the month following each due quarter positively.

Annexure 'B'

Consolidated Statement

Sl. No.	Particulars	SAG	JAG	STS	JTS	Sr. AO/ AO	AAO/ JAO	Group 'C'	Group 'D'
1.	Total Sanctioned strength								
2.	Break-up of Total working strength								
	(a) BSNL								
	(b) DOP								
	(c) DOT								
	(d) other Deputationist								
3.	Vacancy Position (1-2)								

DOT No. 1-4(34)/2000-PAT dated 05.09.2006

Subject: **Pay Fixation under FR 22(1)(a)(i) to JTOs & SDEs on their Vertical Promotion after Lateral Advancement- Withdrawal of Benefit**

The undersigned is directed to refer to this department's letters No. 4-3194-PAT dated 2.9.1994 & 28.10.1994. The Junior Telecom Officers (JTOs) and Sub-Divisional Engineers (SDEs) were granted lateral advancement on completion of 12 years of regular service in their respective grade in the scale of Rs 2000-3500/- & Rs. 2200-4000/- (pre-revised) respectively and the benefit of FR 22(1)(a)(i) was extended at the time of their Lateral advancement by this department letter No. 5-10189-NCO dated 26.6.1990 & No. 3-2/90- TE-1 dated 25.9.90. Further, in consultation with the Department of Personnel & Training and Ministry of Finance (Department of Expenditure), it was decided to extend the benefit of FR22(1)(a)(i) pay fixation to JTOs & SDEs on their vertical promotion in the scale of pay of Rs. 2000-3500/- & Rs. 2200-4000/- (pre-revised) respectively.

Keeping in view the objection raised by the P&T Audit for grant of double benefit of pay fixation under FR 22 (I) (a) (i) to the JTOs and SDEs on their lateral advancement as well as subsequent vertical promotion and CAG Para 1.2 of report No. 2 of

2004 as well as DOPT advice to withdraw the above double benefit, it has been decided to withdraw the above double benefit with immediate effect.

Thus the benefit of FR 22 (l) (a) (i) shall not be allowed at the time of vertical promotion once this was allowed at the time of lateral advancement under the scheme of lateral advancement in case of JTOs and SDEs.

Further, DOT's OM No. 4-20/95-PAT dated 19.1.96 allowing the stepping up of pay of SDEs promoted to JTS of ITS Group 'A' also stands withdrawn with immediate effect.

This issues with the approval of Secretary (Telecom).

BSNL No. 500-87/2006-07/CA-IV/BSNL dated 16.11.2006

To the CGMs of all BSNL Circles

Subject: Computation of Adjusted Gross Revenue and Payment of Spectrum Charges.

Reference: 1) This office letter no. 500-87/2004-05/CA-IV/BSNL (Part) dated 22.06.2005.

2) No. 500-87/2005-06/CA-IV/BSNL dated 26-04.2006.

With reference to the above-mentioned subject following points must be observed while making payment of Spectrum Charges for the Financial Year 2006-07 onwards:

1. The advance payment of Spectrum Charges for WLL and CMTS must be made on the dates prescribed by the Department of telecom i.e. 15th of the beginning of every quarter.
2. The spectrum charges payment should be accompanied by the detailed sheet showing the full computation of Spectrum Charges for WLL and CMTS i.e. rates of spectrum charges, estimated AGR, DD no., and Actual AGR of the Previous quarter etc.. (The proforma enclosed at Annexure I). The same should also be intimated to the Corporate office. The statement of revenue should also be sent as provided in the licence agreement to the CCA concerned.
3. The intra-service Spectrum Charges may be adjusted whenever the difference between the Actual AGR and estimated AGR arises. There should not be inter-service spectrum charges adjustment i.e. in between the WLL and CMTS.
4. No inter-levy adjustment should be carried out (i.e.) no adjustment in between the licence fee and spectrum charges should be made. Since these are different levies and dealt by different divisions in DoT.
5. Only the rate of spectrum charge applicable to your circle should be used for computation considering the increase in spectrum allotted by DoT from the date of increased allocation if any for your circle. The CMTS wing should notify any change in the rate of Spectrum Charges resulting due to increased allocation of spectrum to the IFA immediately.
6. The Spectrum Charges calculation should also include the levy of Spectrum Charges for MW access and backbone networks of cellular services as communicated vide letter dated 26-04-2006.
7. At the time of finalization of accounts, both the expenditure appearing under the ac-codes meant for Spectrum Charges and payment made towards Spectrum charges should tally individual service-wise. In case of difference, i.e. short/excess payment that should be reconciled on immediate basis. For short payment, respective amount should be released promptly and excess payment should not be adjusted against any other levy and which would be taken care of by Corporate Office centrally.
8. All other things would remain same as communicated vide letter under the reference.

Encl.: A/a

(P. K. Purwar)
DDG (CA)

Copy to: (1) GM (F)/ IFA of all Territorial Circles/ Metro Districts, (2) DDG (TX), BSNL, (3) Director (R-WPF) DoT.

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*“Whatever is worth doing at all
is worth doing well.”
– Lord Chesterfield*

Part IV

Miscellaneous

***To laugh often and much;
to win the respect of intelligent people
and the affection of children...
to leave the world a better place...
to know even one life has breathed easier
because you have lived.
This is to have succeeded.***

-- Ralph Waldo Emerson

CHAPTER 10

LEGAL MATTERS

A. Legal Matters in Government

Government of India's legal matters are handled and administered by the Union Ministry of Law and Justice. It is the oldest limb of the government and dates back to 1833 when the *Charter Act of 1833* was enacted by the British Parliament. The said Act had vested for the first time legislative power in a single authority, namely, the Governor General in Council. By virtue of this authority and the authority vested in him under section 22 of the *Indian Councils Act, 1861*, the Governor General enacted laws for the country from 1834 to 1920.

After the *Government of India Act of 1919* came into operation, the legislative power came to be exercised by the Indian Legislature constituted under the Act. The Act of 1919 was followed by the *Government of India Act of 1935*.

The *Indian Independence Act of 1947* converted India into a Dominion, and hence it was the Dominion Legislature that made laws from 1947 to 1949 under the provisions of section 100 of the *Government of India Act, 1935* as adapted by the *India (Provisional Constitution) Order, 1947*. The Constitution of India came into force with effect from the 26th January 1950. Since then the legislative power is being exercised by the Indian Parliament.

A compendium of all the laws in force in the territory of India (India Code) is freely available to all visitors to the Internet site of the Ministry of Law and Justice. The Code includes laws enacted from the previous century to date.

The Ministry of Law and Justice comprises of two departments. The *Legislative Department* is concerned with drafting of principal legislation for the Central Government. The *Department of Legal Affairs*, on the other hand, performs an advisory role. It may be pointed out that, contrary to general impression, constitution and organization of the Supreme Court of India and various High Courts, appointment of Judges, fixation of conditions of service of Judges in consultation with the Supreme/High Courts, administration of Judicial Services in the Union Territories and, finally, coordination of administration of justice in the states are *not* handled by the Ministry of Law and Justice. It is the *Department of Justice* under the *Ministry of Home Affairs* that handles them.

This chapter covers the organization and functioning of the *Department of Legal Affairs (DLA)*, and also contains various circulars relevant to the functioning of the accounts and finance officers of the Department of Telecommunications.

B. Functions and Duties of the 'DLA'

The Department of Legal Affairs renders advice to the various Ministries/ Departments of the Government of India on legal matters, carries out the conveyancing work of the Central Government, and attends to the litigation work of the Central Government in the Supreme Court, High Courts, Tribunals and some of the subordinate courts.

It is also concerned with entering into treaties and agreements with foreign countries in matters of civil law, authorizing officers to execute contracts and assurances of property on behalf of the President under Article 299(1) of the Constitution of India, and signing and verifying plaints and written statements in suits by or against the Union of India. It is further concerned with the appointment of Law Officers, namely, the Attorney General of India, the Solicitor-General of India and the Additional Solicitor Generals of India.

The Department of Legal Affairs administers the Advocates Act, 1961, the Notaries Act, 1952, the Legal Services Authorities Act, 1987 and the Advocates' Welfare Fund Act, 2001. The Department is also administratively in charge of the Appellate Tribunal for Foreign Exchange, the Income Tax Appellate Tribunal, the Indian Legal Service and the Law Commission of India.

C. Organization of 'DLA'

1. The Department of Legal Affairs, has a two-tier organizational set up, namely,
 - a. the Main Secretariat, at New Delhi, and
 - b. the Branch Secretariats at Mumbai, Kolkata, Chennai and Bangalore.
2. The set up at the Main Secretariat includes the Law Secretary, Additional Secretaries, Government Counsel (Conveyancing), Joint Secretaries & Government Counsels, and other Government Counsels at various levels.
3. The work relating to tendering of *legal advice* and *conveyancing* has been distributed amongst groups of officers, each group being normally headed by a Joint Secretary & Government Counsel, who in turn is assisted by a number of Government Counsels at different levels.
4. The *litigation work* in the Supreme Court on behalf of all Ministries/ Departments of the Government of India and some administrations of the Union Territories is handled by the *Central Agency Section* presently headed by a Joint Secretary.
5. The *litigation work* in the Delhi High Court on behalf of the Ministries/ Departments of the Government of India is processed by the *High Court Litigation Section* headed by a Deputy Government Counsel.
6. The *litigation work* in the subordinate courts in Delhi is handled by the *Litigation (Lower Court) Section* headed by an Assistant Government Counsel.
7. The Department has a special Cell dealing with implementation of the recommendations of the *Law Commission* and also with the legal profession and administration of the Advocates Act, 1961 and the Advocates Welfare Fund Act, 2001.
8. One Joint Secretary level officer each exclusively functions as Government Counsel for Railway Board, Department of Telecommunications and Central Bureau of Investigation, respectively from the respective offices.
9. Another Joint Secretary level officer acts exclusively as an Arbitrator under the scheme of *Permanent Machinery of Arbitration*, and functions from the office of the Bureau of Public Enterprises.
10. In addition, some officers of different levels such as Additional Government Counsel, Deputy Government Counsel and Assistant Government Counsel are posted in the Ministries of Agriculture, Defence, Labour, Urban Development and also in the DGS&D.

D. Decision Process and Channels of Supervision in the DLA

D1. Legal Advice

References received from various Ministries/ Departments of the Central Government seeking legal advice are examined by concerned Government Counsel(s) as per the distribution of work and with

the approval of Group Heads of the level of Additional Secretary/ Joint Secretary & Government Counsel and also with the approval of Law Secretary and Law Minister, wherever necessary, the legal advice is given to the concerned Ministry/ Department.

D2. Judicial

(i) Appointment of Law Officers

The following are the Law Officers of the Government of India:

1. Attorney General (AG),
2. Solicitor General (SG), and
3. Additional Solicitor General (ASG).

The proposal for appointing a Law Officer is generally moved at the level of Joint Secretary/ Law Secretary. After obtaining the approval of the Minister of Law & Justice, the proposal is sent to the Appointments Committee of the Cabinet (ACC) for its approval.

(ii) Appointment of (Sr.) Government Counsel

The bio-data of Advocates received for appointment as Government Counsel, are processed in file in the Judicial Section and submitted to the Law Minister through the Joint secretary & Government Counsel in-charge and the Law Secretary. The names of Advocates for engagement as Counsel are approved at the level of the Minister of Law & Justice. The Law Secretary is also competent to approve the names of Advocates for engagement as Government Counsel in District & Subordinate Courts.

(iii) Engaging Private Advocates/ Special Counsel in Specific Cases

The proposals received from different Departments are processed in the Section and submitted to the Minister for law & Justice through JS&LA and Law Secretary.

(iv) Counsel on High Fee

The proposal received from the concerned Ministry/ Department with the approval of the Minister-in-charge is processed in the Section and is approved and decided at the level of Minister of Law & Justice.

(v) Nomination of Arbitrators

The requests received from different Departments for nomination of Arbitrators in disputes between Ministries/ Departments/ Private Parties are submitted to Law Secretary for nominating an Officer of this Department for appointment as an Arbitrator.

(vi) Panel of Advocates of CBDT and Railways

The proposals received from the concerned Departments are processed in the Section and is approved at the level of Minister of Law & Justice.

(vii) Notification Under Article 299(1) of the Constitution

The proposals received from Ministries/ Departments are approved at the level of Minister of Law & Justice and thereafter the requisite Notification is issued.

(viii) Nomination of Arbitration Panel Counsel

The JS&LA In-charge of Judicial Section makes the nomination of Counsels in particular arbitration cases.

(ix) Complaints against Government Counsels

A Cell consisting of an *Additional secretary* and two *Joint Secretaries & Government Counsels* monitors the performance of Government Counsels. It handles complaints against Counsels of:

- (a) Supreme/ High Courts/ CAT Benches, and
- (b) District & Subordinate Courts.

After obtaining information on a complaint, if it is proposed to remove the name of the Government Counsel from the Panel, the file is submitted to the Minister for Law & Justice for his approval.

(x) Engaging a Counsel on a Court's Panel to Appear before another Court or in another City

The proposals are submitted to Law Secretary for his approval.

(xi) Other items of work

The other items of work, e.g. verification of fee bills, forwarding of Court notices to the Ministries/ Departments, clarifications with regard to terms & conditions are disposed of with the approval of Joint Secretary & Government Counsel.

(xii) Treaties in Civil and Commercial Matters with Foreign Countries

A Joint Secretary & Government Counsel handles this work. The Judicial Section provides secretarial assistance. If it is proposed to enter into a Treaty with the foreign country, the approval of the Cabinet is obtained before the Treaty is signed.

(xiii) Service of Summons

The request for service of summons received from foreign countries with which there is reciprocal arrangements, are forwarded to the concerned Courts in India at the level of Joint Secretary & Government Counsel.

Similarly, the summons issued by the Indian Courts for service on the persons residing in foreign countries, are forwarded to the Indian Embassy/ Commission of that country at the level of Joint Secretary & Government Counsel.

All the matters regarding reciprocal arrangements, execution of decrees, issue of commissions etc. are submitted to a Joint Secretary & Government Counsel.

D3. Administration

All administrative matters are decided as per rules and instructions issued by the Department of Personnel and Training and provisions prescribed in different manuals through Under Secretary, Deputy Secretary, Additional Secretary, Law Secretary and Minister.

E. Rules, Regulations & Instructions Administered/ Issued by DLA

- (a) The Notaries Rules, 1956
- (b) Revision of terms & conditions for engagement of Panel 'A', 'B', 'C' & 'D' Counsels in Supreme Court vide O.M. No. 21(4)/99-Judl., dated 24.9.1999.
- (c) Revision of fee payable to:
 - a. Senior Counsel/ Central Government Standing Counsel and Central Government Pleaders in Delhi High Court (O.M. No. 24(2)/99-Judl. dated 24.9.1999).
 - b. Assistant Solicitor General of India and Central Government Counsel in various High Courts (except High Courts of Delhi, Mumbai, Kolkata, Chennai and Karnataka) and Senior Counsel of various High Courts (except High Courts of Delhi, Mumbai, Kolkata and Chennai) vide O.M. No. 26(1)/99-Judl., dated 24.9.99.
 - c. Assistant Solicitor General of India/ Central Government Counsel in Karnataka High Court vide O.M. No. 26(2)/99-Judl., dated 24.9.99.
 - d. Assistant Solicitor General of India/ Central Government Counsel in Madras High Court vide O.M. No. 25(3)/99-Judl., dated 24.9.99.
 - e. Standing/ Additional Standing Government Counsel in District & Subordinate Courts vide O.M. No. 27(11)/99-Judl., dated 24.9.99.
 - f. Senior Counsel/ Junior Counsel for conducting arbitration cases on behalf of Central Government before the Arbitrators in Delhi/ New Delhi and other places vide O.M. No. 30(3)/99-Judl., dated 24.9.99.
 - g. Special Counsel/ Senior panel Counsel Group I, Senior Panel Counsel Group II and Junior Counsel in Calcutta High Court, Kolkata vide O.M. No. 22(2)/2001-Judl., dated 14.5.2001.
 - h. Special Counsel/ Senior panel Counsel Group I, Senior Panel Group II and Junior Counsel in Bombay High Court, Mumbai Bench vide O.M. No. 23(2)/2001-Judl., dated 14.5.2001.

F. Legal Matters in DOT

At the headquarters of DOT, there exists a Legal Cell under the control of the Legal Adviser (LA, DOT), to advise the department on legal matters. As mentioned in paragraph 10 under 'C' above, the LA is an officer of the Ministry of Law, in the rank of joint Secretary, on deputation to DOT.

At present, the Legal Cell of DOT does not process or handle any court cases, except in an advisory capacity. The responsibility of processing and handling a court case is therefore discharged by the concerned Branch Officer within whose area of work a matter under litigation falls.

G. Frequently Asked Questions on the Right to Information Act, 2005

1. When did the Act come into force?

The RTI Act was enacted on the 15th June 2005. Some of its provisions came into force with immediate effect; for example, obligations of public authorities [S.4(1)], designation of Public Information Officers and Assistant Public Information Officers [S.5(1) and 5(2)], constitution of Central Information Commission [S.12 and 13], constitution of State Information Commissions [S.15 and 16], non-applicability of the Act to Intelligence and Security Organizations [S.24], and power to make rules to carry out the provisions of the Act [S.27 and 28].

The remaining portion of the Act came into force on the 120th day of its enactment, that is, w.e.f. 12th October 2005.

2. What is the extent of its application?

The Act extends to the whole of India, except the State of Jammu and Kashmir. [S.1(2)]

3. What does the term 'information' mean?

As per S.2(f) of the Act, information means *“any material in any form, including records, documents, memos, e-mails, opinions, advices, press releases, circulars, orders, logbooks, contracts, reports, papers, samples, models, data material held in any electronic form and information relating to any private body which can be accessed by a public authority under any other law for the time being in force”*. It includes "file notings".

4. What does “Right to Information” mean?

It means *“the right to information accessible under this Act which is held by or under the control of any public authority and includes”* the right to -

- inspect work, documents, records.
- take notes, extracts or certified copies of documents or records.
- take certified samples of material.
- obtain information in the form of diskettes, floppies, tapes, video cassettes or any other electronic mode or through printouts from computers/ other devices. [S.2(j)]

5. Who is a "public authority" under the Act?

The term is defined under S.2(h) of the Act, and means any authority or body or institution of self-government established or constituted:-

- by or under the Constitution;
- by any other law made by Parliament;
- by any other law made by a State Legislature;
- by notification issued or order made by the appropriate Government, and includes any:-
 - body owned, controlled or substantially financed;
 - non-Government organization substantially financed, directly or indirectly by funds provided by the appropriate Government.

6. What are the obligations of a “public authority”?

As per S.4 (1) (a) of the Act, every public authority *shall maintain all its records duly catalogued and indexed in a manner and the form which facilitates the right to information... and ensure that all [appropriate] records... are computerised and connected ...all over the contry on different systems so that access to such records is facilitated.*

Further, at the time of coming in force, S.4 (1) (b) of the Act mandated each public authority to publish, within 120 days of the enactment,

- the particulars of its organization, functions and duties;
- the powers and duties of its officers and employees;
- the procedure followed in its decision making, including channels of supervision and accountability;
- the norms set by it for the discharge of its functions;
- the rules, regulations, instructions, manuals and records used by its employees for discharging its functions;
- a statement of the categories of the documents held by it or under its control;
- the particulars of any arrangement that exists for consultation with, or representation by the members of the public, in relation to the formulation of policy or implementation thereof;
- a statement of the boards, councils, committees and other bodies consisting of two or more persons constituted by it. Additionally, information as to whether the meetings of these are open to the public, or the minutes' of such meetings are accessible to the public;

- a directory of its officers and employees;
- the monthly remuneration received by each of its officers and employees, including the system of compensation as provided in its regulations;
- the budget allocated to each of its agency, indicating the particulars of all plans, proposed expenditures and reports on disbursements made;
- the manner of execution of subsidy programs, including the amounts allocated and the details and beneficiaries of such programs;
- particulars of recipients of concessions, permits or authorizations granted by it;
- details of the information available to, or held by it, reduced in an electronic form;
- the particulars of facilities available to citizens for obtaining information, including the working hours of a library or reading room, if maintained for public use;
- the names, designations and other particulars of the Public Information Officers.

Sections 4 (1) (c) & (d) impose a duty on public authorities to publish all relevant facts while formulating important policies or announcing decisions affecting public; and to provide reasons for their administrative or quasi-judicial decisions to affected persons.

7. Who are Public Information Officers (PIOs)?

PIOs are officers designated by the public authorities in all administrative units or offices under it to provide information to the citizens requesting for information under the Act. Any officer, whose assistance has been sought by the PIO for the proper discharge of his or her duties, shall render all assistance and for the purpose of contraventions of the provisions of this Act, such other officer shall be treated as a PIO.

8. What are the duties of a PIO?

PIO shall deal with requests from persons seeking information and where the request cannot be made in writing, to render reasonable assistance to the person to reduce the same in writing.

If the information requested for is held by or its subject matter is closely connected with the function of another public authority, the PIO shall transfer, within 5 days, the request to that other public authority and inform the applicant immediately.

PIO may seek the assistance of any other officer for the proper discharge of his/her duties.

PIO, on receipt of a request, shall as expeditiously as possible, and in any case *within 30 days* of the receipt of the request, either provide the information on payment of such fee as may be prescribed or reject the request for any of the reasons specified in S.8 or S.9.

Where the information requested for concerns the life or liberty of a person, the same shall be provided within *forty-eight hours* of the receipt of the request.

If the PIO fails to give decision on the request within the period specified, he shall be deemed to have refused the request.

Where a request has been rejected, the PIO shall communicate to the requester - (i) the reasons for such rejection, (ii) the period within which an appeal against such rejection may be preferred, and (iii) the particulars of the Appellate Authority.

PIO shall provide information in the form in which it is sought unless it would disproportionately divert the resources of the Public Authority or would be detrimental to the safety or preservation of the record in question.

If allowing partial access, the PIO shall give a notice to the applicant, informing:

- that only part of the record requested, after severance of the record containing

- information which is exempt from disclosure, is being provided;
- the reasons for the decision, including any findings on any material question of fact, referring to the material on which those findings were based;
- the name and designation of the person giving the decision;
- the details of the fees calculated by him or her and the amount of fee which the applicant is required to deposit; and
- his or her rights with respect to review of the decision regarding non-disclosure of part of the information, the amount of fee charged or the form of access provided.

If information sought has been supplied by third party or is treated as confidential by that third party, the PIO shall give a written notice to the third party within 5 days from the receipt of the request and take its representation into consideration.

Third party must be given a chance to make a representation before the PIO within 10 days from the date of receipt of such notice.

9. What information is not open to disclosure?

The following information is exempt from disclosure [S.8]

- information, disclosure of which would prejudicially affect the sovereignty and integrity of India, the security, strategic, scientific or economic interests of the State, relation with foreign State or lead to incitement of an offence
- information which has been expressly forbidden to be published by any court of law or tribunal or the disclosure of which may constitute contempt of court;
- information, the disclosure of which would cause a breach of privilege of Parliament or the State Legislature;
- information including commercial confidence, trade secrets or intellectual property, the disclosure of which would harm the competitive position of a third party, unless the competent authority is satisfied that larger public interest warrants the disclosure of such information;
- information available to a person in his fiduciary relationship, unless the competent authority is satisfied that the larger public interest warrants the disclosure of such information;
- information received in confidence from foreign Government;
- information, the disclosure of which would endanger the life or physical safety of any person or identify the source of information or assistance given in confidence for law enforcement or security purposes;
- information which would impede the process of investigation or apprehension or prosecution of offenders;
- cabinet papers including records of deliberations of the Council of Ministers, Secretaries and other officers;
- information which relates to personal information the disclosure of which has no relationship to any public activity or interest, or which would cause unwarranted invasion of the privacy of the individual;

Notwithstanding any of the exemptions listed above, a public authority may allow access to information, if public interest in disclosure outweighs the harm to the protected interests.

10. Is partial disclosure allowed?

Only that part of the record which does not contain any information which is exempt from disclosure and which can reasonably be severed from any part that contains exempt information, may be provided. [S.10]

11. Which organizations are excluded?

Central Intelligence and Security agencies specified in the 2nd Schedule like IB, RAW, Directorate of Revenue Intelligence, Central Economic Intelligence Bureau, Directorate of Enforcement, Narcotics Control Bureau, Aviation Research Centre, Special Frontier Force, BSF, CRPF, ITBP, CISF, NSG, Assam Rifles, Special Service Bureau, Special Branch (CID), Andaman and Nicobar, The Crime Branch-CID-CB, Dadra and Nagar Haveli and Special Branch, Lakshadweep Police. Agencies specified by the State Governments through a Notification will also be excluded. The exclusion, however, is not absolute and these organizations have an obligation to provide information pertaining to allegations of corruption and human rights violations. Further, information relating to allegations of human rights valuations could be given but only with the approval of the Central or State Information Commission, as the case may be. [S.24]

12. What is the procedure for requesting information?

A person may apply to the PIO in writing or through electronic means in English/ Hindi/ official language of the area specifying the particulars of the information sought.

No reason for seeking information is required to be given.

The applicant has to pay prescribed fees (if not belonging to the '*below poverty line*' or BPL category).

13. What is the fee?

Application fees are prescribed by Rules, and must be reasonable.

If further fees are required, then the same must be intimated in writing with calculation details of how the figure was arrived at;

Applicant can seek review of the decision on fees charged by the PIO by applying to the appropriate Appellate Authority;

No fees will be charged from people living 'below the poverty line'.

Applicant must be provided information free of cost if the PIO fails to comply with the prescribed time limit.

14. What is the time limit to get the information?

30 days from the date of application

48 hours for information concerning the life or liberty of a person

5 days shall be added to the above response time, in case the application for information is given to Assistant Public Information Officer.

If the interests of a third party are involved then time limit will be 40 days (maximum period plus time given to the party to make representation).

Failure to provide information within the specified period is a deemed refusal.

15. On what grounds can a request for information be rejected?

- If it is covered by exemption from disclosure. (S.8)
- If it infringes copyright of any person other than the State. (S.9)

16. What are the main features of the Central Information Commission?

Central Information Commission constituted by the Central Government includes one Chief Information Commissioner (CIC), and not more than ten Information Commissioners (IC), who are to be appointed by the President of India.

The Commission has its head-quarters in Delhi, and may also establish offices in other parts of the country with the approval of the Central Government.

The Commission will exercise its powers without being subjected to directions by any other authority. (S.12)

17. What are the duties, powers and functions of Information Commissions?

The CIC/ SIC has a duty to receive complaints from any person -

- a) who has not been able to submit an information request because a PIO has not been

- appointed ;
- b) who has been refused information that was requested;
 - c) who has received no response to his/her information request within the specified time limits ;
 - d) who thinks the fees charged are unreasonable ;
 - e) who thinks information given is incomplete or false or misleading ;and
 - f) any other matter relating to obtaining information under this law.

The CIC/ SIC has powers to order inquiry if there are reasonable grounds. It also has the powers of a Civil Court such as -

- a) summoning and enforcing attendance of persons, compelling them to give oral or written evidence on oath and to produce documents or things;
- b) requiring the discovery and inspection of documents;
- c) receiving evidence on affidavit ;
- d) requisitioning public records or copies from any court or office
- e) issuing summons for examination of witnesses or documents
- f) any other matter which may be prescribed.

All records covered by this law (including those covered by exemptions) must be given to CIC/ SCIC during inquiry for examination.

Power to secure compliance of its decisions from the Public Authority includes-

- a) providing access to information in a particular form;
- b) directing the public authority to appoint a PIO/APIO where none exists;
- c) publishing information or categories of information;
- d) making necessary changes to the practices relating to management, maintenance and destruction of records ;
- e) enhancing training provision for officials on RTI;
- f) seeking an annual report from the public authority on compliance with this law;
- g) require it to compensate for any loss or other detriment suffered by the applicant;
- h) impose penalties under this law; or
- i) reject the application. (S.18 and S.19)

H. Copies of Important 'Legal' Circulars

DOT No. 3-2/2002-LC dated 03.12.2002

Subject: **Submission of Information in Respect of Pending Court Cases in Seven Proformae**

Focus Action Group (Legal) in its meeting held on 8.10.2002 has decided to conduct its meeting on quarterly basis and accordingly all Divisions in the Department are requested to submit information on quarterly basis only as per schedule given below:

Quarter ending	Due date for submission of information (on or before)
31 st December	6 th January
31 st March	6 th April
30 th June	6 th July
30 th September	6 th October

All Divisions may please send consolidated information in respect of section(s)/cell(s) under their control in seven prescribed proformae (copies enclosed). Piece-meal information received from Divisions will not serve the purpose. The name of the officer(s) with telephone number to whom Legal Cell may contact in case of any clarification must be indicated.

It is further requested that the date mentioned for sending the information may please be strictly adhered to otherwise it would cause undue delay in submission of information to Telecom Commission.

Notes:

In the proforma of important cases information regarding those cases only as per note of proforma should be reflected.
In case a "NIL" report has to be furnished in respect of any of the categories, it should be reflected in the covering letter itself. Proforma with NIL information need not be sent.

Department of Telecommunications

Name of Division:
Name of Officer with Tele. No.:
(who can be contacted for any clarification)

Proforma I**Summary Of Court Cases Pending For The Quarter Ending**

Name of Court	No. of cases pending at the close of quarter				Total
	More than five years old	More than two years old	More than one year old	Less than one year old	
1	2	3	4	5	6
Supreme Court					
High Court					
TDSAT					
CAT					
Lower Court					
Other Courts					
Total					

Proforma II**Statement of Pending Contempt cases Relating to DOT Officers for the Quarter Ending**

Sl. No.	Case No. & Title of Contempt case	Name of the Court	Date of order (which led to contempt)	Implementation stage of the order	Name(s) of Contemnor (against whom contempt proceeding is pending)	Name of Counsel/ Senior Counsel	Next date of hearing	Nodal Officer (Name & Designation)	Remarks *
1	2	3	4	5	6	7	8	9	10

* Please furnish a brief write-up about the case. If space is insufficient, a separate sheet may be attached.

Proforma III**Statement of Important Court cases for the quarter ending**

Sl. No.	No. & Title of the case	Name of Court	Subject	Name of Counsel	Status with next date of hearing, if already fixed	Nodal Officer	Remarks

Note: Important cases means cases involving Constitutional validity of any Act or Rules, cases involving Policy matters and cases with high revenue stake (Excluding Bank Guarantee cases for which a separate proforma is devised)

Proforma IV**Statement of Unimplemented Court Decisions for the quarter ending**

Sl. No.	Case No. & Title of the case	Name of Court	Date of receipt of order	Present status	Nodal Officer	Remarks
1	2	3	4	5	6	7

Proforma V**Statement Of Important Arbitration Cases For The Quarter Ending**

Sl. No.	Description of case	Subject	Date of appointment of Arbitrator	Name of Arbitrator	Present Status	Reasons for delay	Nodal Officer	Name of person responsible for execution	Remarks
1	2	3	4	5	6	7	8	9	10

Proforma VI

Statement Of Important Bank Guarantee Cases For The Quarter Ending						
Sl. No.	No. & Title of case	Name of Court	Subject (including value of Bank Guarantee)	Present status (if stay is in operation, indicate the date since when)	Next date of hearing	Remarks
1	2	3	4	5	6	7

Proforma VII
Statement of pending fee bill matters of Law Officers for the quarter ending

Sl. No.	Name of Law Officer	Details of the Court case	Law Ministry's Ref. No. approving appointment of Law Officer	Date of submission of fee bill and amount	Reason(s) for delay	Present status	Remarks
1	2	3	4	5	6	7	8

D.O.P.T. No. A-45011/2/2003-Ad.III dated 18.07.2003
(Circulated vide DOT No. 4-1/2003-LC dated 26.12.2006)

Subject: Contempt case – Directions of Secretary (Personnel) – regarding

In pursuance of discussions on the subject held in the Senior Officers Meeting held on 16.7.2003, the directions of Secretary (Personnel) are communicated as under:

- (i) Since the main reason for contempt applications is that very short periods, two to three months, are given by the courts and the CAT for implementation, it is necessary that we should immediately seek extension of time. This should be done immediately without unnecessary examination of the issue, etc.
- (ii) The appeals should be filed at the earliest, without extensive discussion or inter-ministerial references on file. Clearly, all orders need not be appealed against, however, it is preferable to error on the side of caution in such matters.
- (iii) Regular contact must be maintained with Counsel in all such cases and if contact is not possible on the phone, then a person from the Section should invariably be deputed to proceed to wherever the Counsel is;
- (iv) All files where final orders have been passed must immediately and invariably be submitted to Secretary. Even those files where it is proposed to implement the orders should be submitted.
- (v) Once a contempt proceeding has been initiated, the concerned officer will invariably attend every hearing. It will not be enough for Counsel alone to attend.
- (vi) Every file relating to a case where an order has been passed, should very prominently include on the cover page, the date by which implementation is to take place and the date of next hearing.
- (vii) In all cases where contempt notice has issued for failure to implement orders, the explanation of the concerned Desk Officer/Under Secretary will invariably be called for as to why and how the delay in implementing the orders of Court or CAT has occurred. If the explanation is not satisfactory, further action will be taken.

DOT No. 3-2/2001-LC dated 04.06.2004

Subject: Deletion of name of Union of India through Secretary, Department of Telecommunications/ Chairman, Telecom Commission from arraigned party/ parties in litigation.

I am directed to convey that from a casual scrutiny of the plaints/ petitions/ applications filed before Court/ CAT/ TDSAT against Bharat Sanchar Nigam Limited, Mahanagar Telephone Nigam Limited, it found that Secretary, Department of Telecommunications/Chairman, (TC) is commonly made as a party even when neither any relief is sought nor any allegation is made against the Department of Telecommunications. In such a situation, Secretary, Department of Telecommunications/ Chairman, (TC) is unnecessarily made a party without any reasons and bothered due to issuance of notice by the Court/ Tribunal in his name. Moreover this is a technique adopted by litigants to pressurize implementation of some direction/ judgment when such implementation is not called for even by BSNL/ MTNL. Factually speaking the Secretary, Department of Telecommunications/ Chairman, (TC) is sometime, hauled up for contempt for no other reason except to cause/create nuisance for the department. Therefore, it should be invariably assured that unnecessary naming of Secretary, Department of Telecommunications/ Chairman, (TC) is deleted from the list of named party/parties on the first occasion/hearing.

I am further directed to request you to kindly ensure that in described type of litigations where neither any relief is sought for can possibly be granted by Department of Telecommunications nor any allegation is made against it, then Secretary, Department of Telecommunications/ Chairman, (TC) is not made a party. Conversely, his name may be got deleted through intervention of the concerned court or tribunal. The Counsel of BSNL/ MTNL already engaged to conduct the case may be

briefed in sufficient manner in this regard who should take up and plead for deletion of Union of India through Secretary, Department of Telecommunications/ Chairman, (TC) from amongst the arraigned parties.

DOT No. 4-1/2003-LC dated 29.07.2005

Subject: Deletion of name of Union of India through Secretary, Department of Telecommunications/ Chairman, Telecom Commission from arraigned party(ies) in litigation

It has come to the notice of this Department that in some cases filed before Courts/ CAT/ TDSAT against PSUs/ Societies under this Department, the name of Union of India through Secretary, Department of Telecommunications/ Chairman, Telecom Commission is also made a party even though neither any relief is sought nor any allegation is made against Union of India i.e. Department of Telecommunications. In this connection, a direction was issued on 4.6.2005 to all PSUs/ Society to make efforts to get deleted the name of the Union of India from arraigned parties where no case is made against Department of Telecommunications. Of late, it has been observed that some of the High Courts have rejected the plea of PSUs for deletion of name on the ground that the plea should be taken by Department of Telecommunications itself.

In view of the above, it is directed that henceforth all Divisions/ Sections/ Cells/ Accounts offices of Department of Telecommunications shall take appropriate action to get the name of Union of India through Secretary, Department of Telecommunications/ Chairman, Telecom Commission deleted in consultation with the concerned Government Counsel appointed by the Department of Legal Affairs for the appropriate Court after receipt of notice from the Courts/ CAT/ TDSAT etc. in cases where no relief is sought or no case is made out against Department of Telecommunications. A list of addresses of the concerned offices of the Department of Legal Affairs, Ministry of Law and Justice and Government Counsels for various High Courts is enclosed for information.

The List

Place of Branch Secretariat	Name of officer & designation	Address	Telephone No. and Fax No.
NEW DELHI	Shri Ashok Kumar Addl. Legal Adviser	Litigation(HC) Section; Delhi High Court, Department of Legal Affairs, Ministry of Law and Justice Shershah Road, <u>New Delhi</u>	(011) 23383874
KOLKATA	Shri J. Khosla Joint Secretary & Legal Adviser	Branch Secretariat, Department of Legal Affairs, Ministry of Law and Justice 234/4, Nizam Palace, II MSO Building, Kolkata-700 020.	(033) 22489625 (KS Roy Road); 22405510 (NP) 2248521 (KSR) 22406191 (NP)
MUMBAI	Shri U.K.Jha Joint Secretary & Legal Adviser	Branch Secretariat, Department of Legal Affairs, Ministry of Law and Justice Aayakar Bhavan Annexe, New Marine Lines, Mumbai-400 020	(022) 222054236 222088345
	Shri R.Rajangam Addl. Legal Adviser	Branch Secretariat, Department of Legal Affairs, Ministry of Law and Justice Shastri Bhavan Annexe, 26, Haddows Road, Chennai – 600006	(044) 28277643 28272671 28270501 28251624
BANGALORE	Shri R.Rajangam Additional Legal Adviser	Branch Secretariat, Department of Legal Affairs, Ministry of Law and Justice 240, 4 th Main Road, Sadashiva Nagar, Bangalore	(080) 23617245 23617016

PS: The above High Courts are headed by the Officers of Department of Legal Affairs, who are the In-charge of the Government litigation there. The present status of the Officers can be known at Tele No. (011) 2338 4945 (Judicial Section, Department of Legal Affairs, Ministry of Law and Justice, Shastri Bhavan, Dr. Rajendra Prasad Road, New Delhi – 110 001.)

DOT No. 3-1/2005-LC dated 02.03.2006

Subject: Focus Action Group (Legal) meeting held on 24.2.2006

The meeting of the Focus Action Group on legal matters was held on 24th February 2006 under the Chairmanship of Additional Secretary (T). It has been decided in the said meeting that all Divisions/ Sections/ Cells should take

- utmost care in contempt of court cases to take the case to its logical conclusion in due time;
- action in cases where no stay has been granted by Appellate Court, an appropriate decision regarding implementation of the order subject to the outcome of the decision of the higher court should be taken on case to case basis to avoid contempt proceedings; and
- prompt and appropriate action on court cases wherever Department of Telecom is the party. The lackadaisical

approach in handling the court cases need to be corrected.

2. It has been brought to the notice of FAG (Legal) that in some court cases BSNL was asked to represent and to file replies. This has been viewed seriously and once again it is reiterated that wherever subject matter is related to Department of Telecommunications, concerned Cell/ Section/ Division should defend the cases by themselves instead of leaving the matter to BSNL. BSNL should not be entrusted with the work of defending court cases filed against Department of Telecom. In case of any difficulty all Cells/ Sections/ Divisions may consult Legal Cell for appropriate advice.

All Cells/ Sections/ Divisions are requested to follow the above mentioned instructions while dealing with court cases.

DOT No. 4-1/2003-LC dated 29.03.2006

Subject: Handling of Court Cases

All Divisions/ Sections/ Cells are requested to follow the following instructions while handling the court cases scrupulously:

In all matters in which Department of Telecom is a party, the concerned Division/ Section/ Cell is required to state the facts of the case, which is generally in the form of para-wise comments to the petition or the appeal filed by the party.

These para-wise comments are sent to the Government Counsel engaged or to be engaged in the matter before the concerned court. The said counsel is required to prepare the draft reply or the draft counter affidavit, as the case may be, and send it back to the concerned Division/ Section/ Cell of Department of Telecom. The draft reply or the draft counter affidavit so prepared by the Counsel is required to be carefully perused by the concerned Division/ Section/ Cell for ensuring the correctness of the pleadings mentioned therein.

After so doing, the draft pleadings may be submitted to the Legal Cell of this Department, who would vet the said pleadings from legal angle. On the basis of the vetted reply or the counter affidavit, it may be formally prepared with the assistance of the Counsel and filed in the appropriate court. However, the aforesaid procedure does not apply where pleadings are required to be filed by the Union of India in the Hon'ble Supreme Court as that part of the work falls under the purview of Central Agency Section of the Department of Legal Affairs. This has the approval of Secretary (T).

DOT No.1-3/2006-LC dated 27.06.2006

Subject: Quarterly Return to Ministry of Law and Justice on Pending Central Government Cases in District/ Subordinate Courts

Department of Legal Affairs, Ministry of Law and Justice vide their O.M.No.27(22) /2006-Judl dated 15.6.2006, have requested Department of Telecommunications to furnish details on pending central government cases in various district/subordinate courts of the country for the quarter ending 30.6.2006 as per proforma enclosed. In future also the said information is to be furnished to that Department on quarterly basis from this quarter.

All divisions are, therefore, requested to furnish the information on the subject mentioned above in the prescribed proforma along with the information to be furnished for FAG (Legal) by the same date i.e. 6th of following month on completion of every quarter to this Cell for their onward transmission to Department of Legal Affairs.

Proforma for submission of quarterly information as on _____ on pending central government cases in district/ subordinate courts to department of legal affairs, Ministry of Law and Justice.

Sl. No.	Name of District Court & State	Case No.	Name of the Parties	Issues involved in brief	Whether any stay order/ interim order granted	Year of institution	Name of the Govt. Advocate	Remarks
1	2	3	4	5	6	7	8	9

Ministry of Law and Justice O.M. No. 29(3)/2006-Judl. dated 23.08.2006
(Circulated vide DOT No. 4-1 /2003-LC dated 05.01.2007)

The undersigned is directed to refer to this Department's OM No. 29(2)/ 2002-Judl., dated 11.11.2002 in which it was stressed that Private Advocates (outside the panel advocates) should be engaged only with the prior approval of Ministry of Law &

Justice (Department of Legal Affairs). However it has been observed that some Departments have been engaging Private Advocates for conducting cases on very high fee without seeking prior approval of this Department and then sending the proposal to this Department for ex-post-facto approval. As per extant instructions, the procedure for engagement of Private Advocate is that the proposal should first be approved by the Minister in-charge of the concerned Department and then to be referred to this Department for obtaining the approval of the Minister of Law and Justice.

2. All the Ministries/ Departments are once again requested to invariably seek prior approval of this Department for engaging Special Counsel/ Private Advocate. In future, the proposal seeking ex-post-facto approval for engagement of Special Counsel/ Private Advocate will not be considered or approved by this Department except in exceptional circumstances warranting emergent action in public interest.

DOT No.6-4/2006-LC 19.10.2006

Subject: Instructions – Procedures for Filing Appeal within Limitation Period on Receipt of an Order/ Judgment from Courts

Department of Legal Affairs vide letter No.3641-I/LS/2006 dated 6-9-2006, have stated that many SLPs/ Appeals are dismissed in the Hon'ble Supreme Court merely on account of bar of limitation even though good grounds exist on merits in the cases and there is an urgent need for streamlining the processing of filing of such cases so that the processing is adhered to strictly within the time frame and the filing of appeal is accomplished well before expiry of limitation period. The Department of Legal Affairs have suggested to establish a Monitoring Unit for this purpose. Accordingly, the competent authority in this Department has taken decision that the Legal Cell shall act as Monitoring Unit for streamlining the filing of appeals.

The undersigned has been directed to convey that in order to alleviate this problem the processing of the case file should be initiated immediately even on receipt of uncertified copy of the order/ judgment by the concerned Branch/Section/Cell etc. In order to monitor the case, a Table, enclosed with this letter, has been devised for placing the same on the first page of the case file showing the schedule of processing of file. Items 1(a), (b), (d) and 1A of the said Table should be filled in by the concerned officer in the first instance. Later when certified copy of the order is received, it may be compared with the uncertified copy and changes, if any, may be taken note of and brought to notice of concerned Sr.DDG/ JS/ DDG immediately. The process provided in the said Table may strictly be adhered to while dealing with court cases.

All Sections/ Cells are also required to furnish information in respect of appeals against court orders etc. to this Cell as per the proforma enclosed by 15th and the last day of every month for submission and information to Secretary, DoT.

This is issued with the approval of Secretary (T).

TABLE

1. Limitation period: _____ days	Expiring on: _____
Out of the total period of _____ days expiring on _____, no. of days available with the Department for processing of file	_____ days
(a) Date of order of High Court/ Tribunal	
(b) Date of receipt of uncertified copy of order	
(c) Date of receipt of Certified copy of the order	
(d) Date by which the file is to reach the Head of Department to enable him to take decision in the case	
(e) Date on which final decision of Head of Department is taken	
(f) Date on which the file is forwarded to the Ministry of Law and Justice	
1A. Out of the total period of Limitation of _____ days, expiring on _____, number of days available with: The Department of Legal Affairs; Ld. Law Officer; and, Central Agency Section for drafting by Panel Advocate and for filing of SLP/ CA	_____ days
Signature of the Concerned officer: Name & Designation	

Department of Telecommunications

Name of the Wing:

(To be furnished to Legal Cell on 15th and last day of every month)

Sl. No.	Case Number and Title	Court which passed the order/ judgment and date of its order/ Judgment	Date of receipt of uncertified copy of order/ judgment	Date of receipt of Certified copy of order/ judgment	Court where appeal to be filed	Limitation period	Date by which the appeal is to be filed	Date when appeal is filed in Appellate Court	Remarks, Reasons for delay
1	2	3	4	5	6	7	8	9	10

DLA (M/O Law) No. 21(156)/2007-LC dated 19.04.2007

1. There is **no prescribed procedure manual** on the subject [of handling legal cases in the government of India].
2. **Engagement of advocates** for handling Union of India litigation is a professional engagement, which is made or continued on mutual trust and confidence. The advocates are engaged on the basis of experience and standing the bar.
3. The concerned department, if not satisfied with the **performance of a particular advocate**, may make a complaint to this department against him. The comments of the concerned advocate are obtained on the complaint. On the receipt of the comments of counsel, the matter is examined. Further action either to terminate the engagement of counsel or to issue directions/ advice to Govt. counsel or to drop the allegations, depending upon the substance of the allegations, is taken.
4. In addition, there are four Branch Secretariats of this Department at Mumbai, Kolkata, Chennai and Bangalore and Central Agency Section in Supreme Court, Litigation (HC) Section in Delhi High Court and Litigation (LC) Section in Tis Hazari Courts which conduct Union of India litigation before courts at respective places through Govt. Counsel. In the process, they come to **assess the performance of Govt. Counsel**.

(Information Supplied under RTI Act, 2005)**DLA No. 33(1)/2007-Judl., dated 16.05.2007**

I am directed to refer to your letter No.WPF-1000/CC-73-2007/Payment/07-08 dated 3rd May 2007 seeking clarification as to whether the Senior Counsel who did not appear in person in the court on the date of hearing and nominated his junior to attend the hearing, will be entitled to the fee and to state that the appearance of Junior/ Proxy Counsel cannot be permitted in Union of India cases as the terms and conditions prescribe the fee for Panel Advocates and not for their junior. I am to further state that Panel Advocates have no authority to nominate or engage any other Counsel on behalf of Union of India, therefore, the Counsel cannot be allowed fee on the appearance of Junior/ Proxy Counsel.

DOT No. Misc/2/2004 dated 12.06.2007

Subject: Updation of Monthly Status of Parliament Assurances, VIP References and Court Cases on Intranet Website (<http://itcell>) of Sanchar Bhavan

In the last review meeting held in the month of April, 2007, it was decided to update status of Parliament Assurances, VIP References and Court Cases of respective Cell/ units on Intranet Site (<http://itcell>) on the LAN (Local Area Network) of Sanchar Bhavan on monthly basis, but it has been observed that either information of above cases is not being received at all or not being received in the required format from most of the units.

2. IT Cell has collected email addresses of JSs/ DDGs and will remind on their email, still it will be better to pursue directly with the concerned person of the cell/unit responsible for this activity. Name/designation, contact telephone number and email address of the concerned person of the cell/unit may be provided.

3. Cell/ Unit heads of designated persons for this activity are requested to visit aforesaid Intranet Site and email the updated information, only as per downloadable format provided on the site to info@dot.gov.in.

4. This exercise may be undertaken in the first week of every month. Status for the month of May 07 may kindly be provided by 15th June 2007.

No. 17-1/2007-O&M, dated 10.08.2007

ORDER

In terms of Sections 5(2) and 19(1) of the Right to Information Act, 2005 and in supersession of all earlier orders and Amendments issued on the subject matter, the following officers of Department of Telecommunications, with the approval of competent authority are hereby designated as Central Public Information Officers and their Appellate Authorities in respect of the specific subject matters mentioned against their names, with immediate effect;

Sl. No.	Name of the Central Public Information Officer	Designation & Tele. No. & Room No.	Subject matter	Name of Appellate Authority with Designation/ Tele. No.
1.	Sh. Vijendra Kumar	Director(Civil) 011-23372045 Room No.1121, Sanchar Bhavan	All staff matters relating to the cadres in P&T Civil & Electrical Wing of DOT and of BSNL/MTNL	Sh.P.K. Panigrahi, DDG (Elect.) 011-23372325 Room No.1105 Sanchar Bhavan.
2.	Sh. V.N. Tandon	Director (Fin.& Trg.) 011-23372113 Room No.506, Sanchar Bhavan	Finance advice for DOT. Training of IP&TAFs officers.	Shri A.S. Bhola, DDG (FEB) 23372085 Room No.701
3.	Smt. Madhvi Das	Director (SEA) 011-23731558 Room No.703 Sanchar Bhavan	Staff and Establishment matters exclusively relating to P&T Accounts & Finance Officers of DOT/ BSNL/ MTNL, including implementation of Government's Reservation Policy. 6 th Pay Commission relating to IP&TAFS. Legal court cases of IP&TAFs.	
4.	Sh. R.J.S. Kushwaha	Joint Wireless Adviser (L) 011-23355442 Room No.607, Sanchar Bhavan	All matters relating to Spectrum Management. Grant of wireless licenses (GSM, CDMA, Wimax etc.) & amateur licensing. Standing Advisory Committee on frequency allocation (SACFA). Spectrum planning and policy related issues.	Shri P.K. Garg, Wireless Adviser 011-23036776 Room No.601, Sanchar Bhavan
5.	Sh. Nitin Jain,	Director (AS I) 011-23710596 Room No.1203, Sanchar Bhavan	Policy issues and issue of new licenses. Interconnection of networks. IPTV/ 3G/ WiMAX Tariff/ QoS/ TRAI recommendations. Court cases/ Audit Cases. Coordination with other Dot Cells and external agencies (IB, MHA etc.) on policy matters, reports etc.	Shri A.K. Srivastava, DDG (AS) 011-23716874 Room No.404, Sanchar Bhavan
6.	Shri A.S. Verma	Director (AS II) 011-23718054 Room No.1202 Sanchar Bhavan	Security matters: coordination items (10 Km buffer zone issue, Subscriber Verification, Pre-paid service in J&K, Assam and North-East). Unsolicited calls issue. NGN	
7.	Sh. Sukhbir Singh	Director (AS III) 011-23711909 Room No.719 Sanchar Bhavan	UAS Licenses (Reliance, TATA, Shyam, HFCL/Aircel/ Dishnet. Illegal/ clandestine exchange cases of above. Numbering Plan administration, monthly subscriber data compilation for CDMA/ Basic operators. Unbundling, Right of Way issues. Subscribers verification of licenses. CMTS/ UAS Licenses (Bharti, Hutch, Idea, BSNL, MTNL, Spice, BPL).	
8.	Sh. N.M. Manickam	Director (AS IV) 011-23372063 Room No.1103 Sanchar Bhavan	Security matters relating to inspection, examination and submitting reports of VTM operations and issuing notices to service providers; illegal/ clandestine exchange cases of above licenses). Issues relating to COAI and policy on CMTS/ UAS licenses. TEC certification; Roll out; subscribers verification of licenses.	
9.	Sh. A.K. Verma	Director(PHP) 011-23372531 Room No.1205 Sanchar Bhavan	All policy and allied matters relating to allotment of general and out of turn telephone connections (local, STD/ ISD/ PCOs etc.) Sanction of RSTC/ Mobile telephones/ WLL/ Dolphin Mobile Service Connections and concessional residential/ official telephones for serving and retired DoT employees. Policy on printing of telephone directory and Directory Enquiry service of MTNL and BSNL and constitution/re-constitution of TACs, facilities to TAC members. Preparation and issue of nomination letters in respect of members of TACs and nominations of MPs. Matters relating to telephone concessions by BSNL and MTNL to various categories – concessions to	Sh. S.S. Singh DDG(PG), 011-23372131 Room No.1210, Sanchar Bhavan.

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			Senior Citizens, physically Handicapped Persons, Freedom Fighters, War Widows, Gallantry Award Winners, Disabled soldiers, President's Police Medal awardees etc. Entitlement of telephones by MPs.	
10.	Sh. A.K. Verma	Director(PG) 011-23710537 Room No.1205 Sanchar Bhavan	Study of the causes of complaints for evolving remedial measures and for increasing the efficiency of the telecom services. Suggesting any modification in the field organization structures from the trend of complaints pattern for suiting the customer needs and to cope with Public Grievances. Redressal of individual service complaints addressed to the Minister, Minister of State, Chairman (Telecom Commission) other higher officers and through direct correspondence. Dealing with grievances received from Directorate of Public Grievances, Department of Administrative Reforms & PG, PMO and Cabinet Secretariat etc. and appearances in Newspapers. Matters relating to Misuse of telephones (other than those involving corruption), delay in provision of new telephone connection, accessories, shifts, transfer, clearing of faults, refund of registration amount, telegraph complaints etc. Complaints regarding telephone directory, wrong disconnection of telephones, disputed meter reading, wrong billing, safe custody charges etc. Court cases including consumer for a as well as appeal cases on individual telephone grievances. Publication of Citizen Charter. Matters relating to various committees of parliament on Public Grievances.	
11.	Sh. Rajvir Sharma	Director (CS I) 011-23710243 Room No.1204, Sanchar Bhavan	Voice Mail / Audio Tex / UMS Service licenses PMRTS licenses GMPCS licenses NOC for Inmarsat Terminals NOC for International inbound calling cards/ Sim cards Registration of OSP	Shri G.P. Srivastava, DDG (CS). 011-23710437 Room No.401, Sanchar Bhavan
12.	Sh. S.T. Abbas	Director (CS III) 011-23724414 Room No.707, Sanchar Bhavan	Issue of NLD/ILD license Registration for IP-I category Radio Paging and allied matters.	
13.	Shri Mohinder Singh	Director (VA) 011-23372336 Room No. 907 Sanchar Bhawan	Processing of departmental disciplinary proceedings in respect of Group 'A' officers of the Department of telecom belonging to Indian Telecom service Group 'A', Indian P&T Accounts and Finance Service Group 'A', P&T Building Works Service Group 'A' and general Central Service Group 'A' etc. from the stage of issue of chargesheet till the finalisation of the proceedings. Prosecution & departmental vigilance cases referred by the CBI and other policies agencies. Process cases for suspension and periodical review. Process cases for grant of vigilance clearance. Supreme Court/High Court/CAT cases arising from the departmental disciplinary proceedings. Prosecution & departmental vigilance cases referred by the CBI and other police agencies. Process cases of suspension and grant of vigilance clearance.	Shri D.K. Aggarwal, Sr. DDG (Vig.) 011-23372111 Room No.901, Sanchar Bhavan
14.	Shri A.K. Singh	Director (VB) 011-23372066 Room No. 906 Sanchar Bhawan	Disciplinary cases of unabsorbed Group 'B' officers & JTOs. Court cases related to unabsorbed Group "B" officers & JTOs.	
15.	Shri Neeraj Kumar	Director (VP) 011-23372403 Room No. 903 Sanchar Bhawan	Looking after the disposal of Appeal Review & Revision Petitions of Group 'A', 'B', 'C' officers/ officials. Legal cases related to the section. Disciplinary cases under Rule-9 of CCS(Pension) Rules, 1972 for Group 'C' & 'D' staff. Disposal of representations of Government Servants made against adverse entries in ACRs. Ratification of major penalty viz. "Dismissal or removal from service" by BSNL/MTNL in respect of absorbed employees of DoT.	
16.	Shri Harsh Vardhan	Director (Tech.) 011-23372335 Room No. 909 Sanchar Bhawan	Investigation of complaints assigned and providing technical comments on various investigations. Investigation of complaints assigned and providing technical comments on various investigations.	

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			Interaction co-ordination with CBI, MHA & Special Cell. Conducting Vigilance Training in the country. Appointment of Chief Vigilance Officers in respect of PSUs under the control of DoT.	
17.	Shri B.K. Nath	Director (VM) 011-23372333 Room No. 904 Sanchar Bhawan	Coordination Meetings with CVOs of all PSUs of DoT. Investigation of complaints/ cases having vigilance angle & Monitoring and examination of reports thereon, pertaining to all Public Sector Undertakings under the administrative control of the Department viz. BSNL, MTNL, ITI TCIL and C-DoT. Seeking first stage advice of Central Vigilance Commission in respect of departmental Investigation reports pertaining to officers not absorbed in PSUs and also seeking of second stage advice in respect of Group 'C' & 'D' officials involved in composite cases. Coordination with CVC for general subjects pertaining to vigilance wing. Reconciliation of disciplinary case data with CVC, BSNL, MTNL & C-DoT. Monitoring of RTI applications received in vigilance wing for their timely disposal.	
18.	Sh. Bal Kishan	Director(Estt) 011-2371009 Room No.1108 Sanchar Bhavan	Matters relating to Pay & allowances, CGEIS, CGHS, Medical facilities and bonus. Union representations and court cases. Retirement benefits including issues arising out of absorption of DOT employees in MTNL and BSNL. Pension, DCRG and family pension, voluntary retirement. Fixation of Pay and grant of NFSG to eligible officers. Handling C&AG para, new creation of VTM Cells, diversion of posts and coordination with BSNL.	Shri A.K. Das, DDG (Estt.) 011-23710035 Room No.1008. Sanchar Bhavan
19.	Sh. R.K. Goyal	Director (Staff) 011-23711391 Room No.505 Sanchar Bhavan	All staff & Establishment matters and cadre management of Indian Telecom Service Group 'A' and Group 'B'. Recruitment Rules of JTOs and absorption of Group 'C' & 'D', and JTOs in MTNL and BSNL. Recruitment Rules, appointments confirmation and other service matters in respect of Telecom Factory Service (TFS) Group 'A' officers.	
20.	Shri R. Barla	Director(SR) 011-23711239 Room No.1406, Sanchar Bhavan	All matters relating to Staff Unions/ Federations. Residual matters relating to staff quarters and rented buildings. Staff relations of BSNL and MTNL. SC/ST matters in SCT Cell.	Shri P.K. Saha, DDG (SR) 011-23714232 Room No.1201, Sanchar Bhavan.
21.	Ms. Madhu Arora	Director (SU-I) 011-23310217 Room No.1104 Sanchar Bhavan	Matters relating to BSNL and its operationalisation and coordination with Department of Public Enterprises (DPE), MOF, Department of disinvestments, Cabinet Sectt. Etc. Restructuring of MTNL & BSNL Consultant appointment, report examination & other related matters. General matters related to telecom services & operations of BSNL Representation received from individual employees relating pay scales, pay-fixation, complaints etc. against harassment. Pending matters arising out of corporatization of DTS/DTO such as:	Shri N.K. Yadav, DDG(SU) 011-23712388 Room No.1003, Sanchar Bhavan
22.	Sh. Brajesh Mishra	Director (SU-II) 011-23372494 Room No.1204 Sanchar Bhavan	Court Cases, Defence Coordination matter etc. Committee on Dispute. Committee on Public Sector Undertaking (COPU) cases. Signing of Memorandum of Understanding. Ministers cases. Complaints received from associations, individuals and other quarters. Reference received from various Ministries. Consultation with other Ministries etc. Important events. Matters relating to Standing Committee	
23.	Sh. Shiv Narain	Director(SU-III) 011-23372052 Room No.1307, Sanchar Bhavan	Regular performance review through Telecom Commission. Disinvestment related issues Demerger of surplus land of VSNL. Post Disinvestments related employees grievances. Coordination with IMSO (for INMARSAT) & ITSO (for INTELSAT)	
24.	Smt. Darshana Momaya	Director (A/c) 011-23710490 Room No.905, Sanchar Bhavan	Framing of new accounting rules/ interpretation and clarification to field units. Creation/abolition of Circle Accounts Codes in consultation with Ministry of Finance. Review of accounts, detection for misclassification and its rectification in concerned DOT accounting circle & DoT Cell. Liaison with the	Smt. Kalyani Negi, DDG (Accounts) 011-23372109 Room No.705, Sanchar Bhavan.

			Controller General of Accounts Office and DG Audit P&T Office on accounting issue. Creation of computer code of Head of Account and maintenance of computer code directory. Compilation, preparation and submission of preliminary appropriation accounts/ detail appropriation a/c, preparation and submission of store to CGA. Cases relating to payment of interest of General Provident Fund. Settlement of claim between DoT and MTNL/ BSNL/ VSNL. Etc. Transfer of assets and liabilities MTNL/BSNL/VSNL etc.	
25.	Sh. Rajneesh Kumar	Director (A/cs II) 011-23372187 Room No.503, Sanchar Bhavan	Matters relating to Pay and Accounts office (HQ) Maintenance of DB, Broad Sheets of Loans and Advances, debt Deposits, Remittances and Suspense Heads. Inter Ministry/ inter Departmental claim in respect of DOT. Maintenance of loan and equity accounts of PSUs under DOT. Submission of recovery schedules in respect of PLI premium. Calculation of Income Tax and issue of monthly/annual income certificates. Preparation of various schedules – recovery from salary and drawl of pay & allowances. GPS/ Pension cases of DOT/ BSNL/ WPC/ VSNL. Preparation of various bills. Budget/Revises Estimates of DOT	
26.	Shri S.L.Meena	Director (IC) 011-23372138 Room No.1414 Sanchar Bhavan	Cases relating to misappropriation, detection of fraud, review and examination of cases. Framing of IC programme. Compilation of data, reports for annual submission. Inspection of accounts of CCAs. Work relating to Draft Audit Paras. Work relating to scrutiny of C&AG reports (P&T and Commercial). Coordination work ATNs, PAC.	
27.	Shri S.L. Negi	Dy. Secretary (Coord). 011-23715120 Room No.507, Sanchar Bhavan	Matters not covered above in respect of Dept.. of Telecom.	Sh. Kirthy Kumar, DDG (C&A) 011-23372446. Room No.315, Sanchar Bhavan

(S.M. D Chawla)

Under Secretary to the Govt. of India

Copy to all CPIOs along with a copy of RTI Act and a copy of some important decisions of CIC for information and necessary action to:

<p>Sh. Vijendra Kumar, Director (Civil) Sh. V.N. Tandon, Director (Fin.& Training) Smt. Madhvi Das, Director(SEA). Sh. R.J.S. Kushvaha, JWA (L) Sh.Nitin Jain, Director (AS I) Sh. A.S. Verma, Director (AS II) Sh. Sukhbir Singh, Director (AS III) Sh.N.M. Manickam, Director (AS IV) Sh. A.K. Verma, Director (PHP) Sh. A.K. Verma, Director (PG) Sh. Rajvir Sharma, Director (CS I) Sh. S.T. Abbas, Director (CS II) Sh. Mohinder Singh, Director (VA)</p>	<p>Sh. A.K. Singh, Director (VB) Sh. Neeraj Kumar, Director (VP) Sh. Harsh Vardhan Singh, Director (T.Tech) Sh. B.K. Nath, Director (VM) Sh. Bal Kishan, Director (Estt.) Sh.R.K. Goyal, Director (Staff) Sh. R. Barla, Director (SR) Ms. Madhu Arora, Director (SU I) Sh. Brajesh Mishra, Director (SU II) Sh. Shiv Narain, Director (SU III) Smt. Darshan Momaya, Director (A/cs I) Sh. Rajneesh Kumar, Director (A/cs II) Sh. Meena, Director, (IC) Sh. S.L. Negi, Director (Coord)</p>
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Copy also forwarded to all Appellate Authorities:

Sh. P.K. Panigrahi, DDG (Elect.)
Sh. A.S. Bholra, DDG (FEB)
Sh. P.K. Garg, Wireless Adviser
Sh. A.K. Srivastava, DDG (AS)
Sh. S.S. Singh, DDG (PG)
Sh. G.P. Srivastava, DDG (CS)
Sh. D.K. Aggarwal, Sr.DDG (Vig.)
Sh. A.K. Das, DDG (Estt.)
Sh. P.K. Saha, DDG (SR)

Sh. N.K. Yadav, DDG (SU)
Smt. Kalyani Negi, DDG(Accounts)
Shri Kirthy Kumar, DDG (C&A)

The CPIOs and Appellate authorities are also requested to intimate the change of Telephone No or any other item of work still left out and not listed above, to the Dir (IT) immediately so that same can be rectified/ updated and uploaded in the web site forthwith.

Copy also to:

Shri L.C. Singhi, Additional Registrar, Central Information Commission (CIC), Block No. IV, Old, (5th floor), Old JNU Campus, New Delhi- 110 067.



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***"An army of sheep led by a lion would
defeat
an army of lions led by a sheep."***

-- Arab proverb

Annexure A

Extracts from the Indian Telegraph Act, 1885

THE INDIAN TELEGRAPH ACT, 1885¹

An Act to amend the law relating to Telegraphs in India

WHEREAS it is expedient to amend the law relating to telegraphs in India;
It is hereby enacted as follows:

PART I PRILIMINARY

1. Short title, local extent and commencement.—(1) This Act may be called the Indian Telegraph Act, 1885.

(2) It extends to the whole of India ²[* * * * *].

(3) It shall come into force on the first day of October 1885.

2. Repeal and savings.—³[* * * * *]

3. Definitions.—In this Act, unless there is something repugnant in the subject or context,—

⁴[(1) 'Fund' means the Universal Service Obligation Fund established under sub-section (1) of section 9A.

(1A) 'Universal Service Obligation' means the obligation to provide access to basic telegraph services to people in the rural and remote areas at affordable and reasonable prices]

⁵⁶[(1AA)] 'telegraph' means any appliance, instrument, material or apparatus used or capable of use for transmission or reception of signs, signals, writing, images and sounds or intelligence of any nature by wire, visual or other electro-magnetic emissions, radio waves or Hertzian waves, galvanic, electric or magnetic means.

Explanation.—'Radio waves' or 'Hertzian waves' means electro-magnetic waves of frequencies lower than 3,000 giga-cycles per second propagated in space without artificial guide;]

(2) 'telegraph officer' means any person employed either permanently or temporarily in connection with a telegraph established, maintained or worked by ⁷[the Central Government] or by a person licensed under this Act;

(3) 'message' means any communication sent by telegraph, or given to telegraph officer to be sent by telegraph or to be delivered;

(4) 'telegraph line' means a wire or wires used for the purpose of a telegraph, with any casing, coating, tube or pipe enclosing the same, and any appliances and apparatus connected therewith for the purpose of fixing or insulating the same;

(5) 'post' means a post, pole, standard, stay, strut or other above ground contrivance for carrying, suspending or supporting a telegraph line;

(6) 'telegraph authority' means the Director General of ⁸[Posts and Telegraphs], and includes any officer empowered by him to perform all or any of the functions of the telegraph authority under this Act;

(7) 'local authority' means any municipal committee, district board, body of port commissioners or other authority legally entitled to, or entrusted by' the Central or any State Government] with, the control, management of any municipal or local fund.

PART II PRIVILEGES AND POWERS OF TE GOVERNMENT

4. Exclusive privilege in respect of telegraphs, and power to grant licenses.—⁹[(1)] Within ¹⁰[India], the Central Government shall have exclusive privilege of establishing, maintaining and working telegraphs:

¹ Act No. 13 of 1885, dated 22.7.1885. As amended up to date.

² Words 'except the State of Hyderabad' omitted by the Part B States (Laws) Act, 1951, with effect from 1.4.1951.

³ Repealed by the Repealing Act, 1938 (1 of 1938,) section 2 and Schedule.

⁴ Inserted by the Indian Telegraph (Amendment) Act, 2003. Act No. 8 of 2004, received the assent of the President on the 9 January, 2004, with retrospective effect from 1.4.2002.

⁵ Substituted by the Telegraph Laws (Amendment) Act, 1961, with effect from 2.5.1961.

⁶ Clause (1) renumbered as clause (1AA) by the Indian Telegraph (Amendment) Act, 2003. Act No. 8 of 2004, received the assent of the President on the 9 January, 2004, with retrospective effect from 1.4.2002.

⁷ Substituted by A.O. 1937, for 'the Government'.

⁸ Substituted by Act 14 of 1914, section 2 for 'Telegraphs'.

⁹ Renumbered as sub-section (1) of the section 4 by Act No. 7 of 1914.

¹⁰ Substituted by Act 45 of 1998, section 3 for 'the Provinces'.

Provided that the Central Government may grant a license, on such conditions and in consideration of such payments as it thinks fit, to any person to establish, maintain or work a telegraph within any part of ¹¹[India]:

¹²[Provided further that the Central Government may, by rules made under this Act and published in the Official Gazette, permit, subject to such restrictions and conditions as it thinks fit, the establishment, maintenance and working—

(a) of wireless telegraphs on ships within Indian territorial waters [and on aircraft within or above ¹³[India], or Indian territorial waters], and

(b) of telegraphs other than wireless telegraphs within any part of ¹⁴[India].

¹⁵[Explanation—The payments made for the grant of a licence under this sub-section shall include such sum attributable to the Universal Service Obligation as may be determined by the Central Government after considering the recommendations made in this behalf by the Telegraph Regulatory Authority of India established under sub-section (1) of section 3 of the Telegraph Regulatory Authority of India Act, 1997 (24 of 1997).]

¹⁶[(2) The Central Government may, by notification in the Official Gazette, delegate to the telegraph authority all or any of its powers under the first proviso to sub-section (1).

The exercise by the telegraph authority of any power so delegated shall be subject to such restrictions and conditions as the Central Government may, by the notification, think fit to impose.]

¹⁷**[5. Power for Government to take possession of licensed telegraphs and to order interception of messages.—(1)** On the occurrence of any public emergency, or in the interest of the public safety, the Central Government or a State Government or any officer specially authorized in this behalf by the Central Government or a State Government may, if satisfied that it is necessary or expedient so to do, take temporary possession (for so long as the public emergency exists or the interest of the public safety requires the taking of such action) of any telegraph established, maintained or worked by any person licensed under this Act.

(2) On the occurrence of any public emergency, or in the interest of the public safety, the Central Government or a State Government or any officer specially authorised in this behalf by the Central Government or a State Government may, if satisfied that it is necessary or expedient so to do in the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States or public order or for preventing incitement to the commission of an offence, for reasons to be recorded in writing, by order, direct that any message or class of messages to or from any person or class of persons, or relating to any particular subject, brought for transmission by or transmitted or received by any telegraph, shall not be transmitted, or shall be intercepted or detained, or shall be disclosed to the Government making the order or an officer thereof mentioned in the order:

Provided that press messages intended to be published in India of correspondents accredited to the Central Government or a State Government shall not be intercepted or detained, unless their transmission has been prohibited under this sub-section.

6. Power to establish telegraph on land of Railway Company.—Any Railway company, on being required so to do by the Central Government, shall permit the Government to establish and maintain a telegraph upon any part of the land of the

¹¹ Substituted by Act 45 of 1998, section 3 for 'the Provinces'.

¹² Inserted by Act 7 of 1914, section 4.

¹³ Substituted by Act 45 of 1998, section 3 for 'the Provinces'.

¹⁴ Substituted by Act 45 of 1998, section 3 for 'the Provinces'.

¹⁵ Inserted by the Indian Telegraph (Amendment) Act, 2003. Act No. 8 of 2004, received the assent of the President on the 9 January, 2004, with retrospective effect from 1.4.2002.

¹⁶ Inserted by the Act 7 of 1914.

¹⁷ Substituted by the Indian Telegraph (Amendment) Act, 1972, with effect from 21.8.1972.

¹⁸ Inserted by the Indian Telegraph (Amendment) Act, 1971, with effect from 10.8.1971.

¹⁹ Inserted by the Indian Telegraph (Amendment) Act, 1971, with effect from 10.8.1971.

²⁰ Clauses (e) to (k) inserted by the Indian Telegraph (Amendment) Act, 1957, with effect from 1.7.1959.

²¹ Inserted by the Indian Telegraph (Amendment) Act, 1974 with effect from 1.6.1975.

²² Inserted by the Indian Telegraph (Amendment) Act, 2003. Act No. 8 of 2004, received the assent of the President on the 9 January, 2004, with retrospective effect from 1.4.2002.

²³ Inserted by the Telegraph Laws (Amendment) Act, 1961 with effect from 2.5.1961.

²⁴ Substituted by the Telegraph Laws (Amendment) Act, 1961, with effect from 2.5.1961.

²⁵ Substituted for 'which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following', by the Indian Telegraph (Amendment) Act, 1974, with effect from 1.6.1975.

²⁶ Sections 7A and 7B inserted by the Indian Telegraph (Amendment) Act, 1957, with effect from 1.7.1959.

²⁷ Inserted by the Indian Telegraph (Amendment) Act, 2003. Act No. 8 of 2004, received the assent of the President on the 9 January, 2004, with retrospective effect from 1.4.2002.

²⁸ Sections 19A and 19B inserted by Act 7 of 1914.

²⁹ Substituted by Act 45 of 1998, section 3 for 'the Provinces'.

³⁰ Inserted by Act 7 of 1914.

³¹ Inserted by Act 7 of 1914.

³² Substituted by Act 14 of 1914, section 2 for 'Telegraphs'.

³³ Omitted by the A.O. 1937.

company, and shall give every reasonable facility for working the same.

¹⁸**6A. Power to notify rates for transmission of messages to countries outside India.**—(1) The Central Government may, from time to time, by order, notify the rates at which, and the other conditions and restrictions subject to which messages shall be transmitted to any country outside India.

(2) In notifying the rates under sub-section (1), the Central Government shall have due regard to all or any of the following factors, namely:

- (a) the rates for the time being in force, for transmission of messages, in countries outside India;
- (b) the foreign exchange rates for the time being in force;
- (c) the rates for the time being in force for transmission of messages within India;
- (d) such other relevant factors as the Central Government may think fit in the circumstances of the case.]

7. Power to make rules for the conduct of telegraphs—(1) The Central Government may, from time to time, by notification in the Official Gazette, make rules consistent with this Act for the conduct of all or any telegraphs established, maintained or worked by the Government or by persons licensed under this Act.

(2) Rules under this section may provide for all or any of the following among other matters, that is to say:

- (a) the rates at which, and the other conditions and restrictions subject to which, messages shall be transmitted¹⁹[within India];
- (b) the precautions to be taken for preventing the improper interception or disclosure of messages;
- (c) the period for which, and the conditions subject to which, telegrams and other documents belonging to, or being in the custody of, telegraph officers shall be preserved;
- (d) the fees to be charged for searching for telegrams or other documents in the custody of any telegraph officer;
- ²⁰[(e) the conditions and restrictions subject to which any telegraph line, appliance or apparatus for telegraphic communication shall be established, maintained, worked, repaired, transferred, shifted, withdrawn or disconnected;]
- ²¹[(ee) the charges in respect of any application for providing any telegraph line, appliance or apparatus;]
- ²²[(eea) the manner in which the Fund may be administered;
- (eeb) the criteria based on which sums may be released.]
- (f) the charges in respect of –
 - (i) the establishment, maintenance, working, repair, transfer or shifting of any telegraph line, appliance or apparatus;
 - (ii) the services of operators operating such line, appliance or apparatus;
- (g) the matters in connection with the transition from a system whereunder rights and obligations relating to the establishment, maintenance, working repair, transfer or shifting of any telegraph line, appliance or apparatus for telegraphic communication attach by virtue of any agreement to a system whereunder such rights and obligations attach by virtue of rules made under this section;
- (h) the time at which, the manner in which, the conditions under which and the persons by whom the rates, charges and fees mentioned in this sub-section shall be paid and the furnishing of security for the payment of such rates, charges and fees;
- (i) the payment of compensation to the Central Government for any loss incurred in connection with the provision of any telegraph line, appliance or apparatus for the benefit of any person –
 - (a) where the line, appliance or apparatus is, after it has been connected for use, given up by that person before the expiration of the period fixed by these rules, or
 - (b) where the work done for the purpose of providing the line, appliance or apparatus is, before it is connected for use, rendered abortive by some act or omission on the part of that person;
- (j) the principles according to which and the authority by whom the compensation referred to in clause (i) shall be assessed;
- ²³[(jj) the qualifications to be possessed and the examinations, if any, to be passed by the persons employed for the establishment, maintenance or working of any telegraph and the fees to be charged for admission to such examinations;] and
- (k) any other matter for which provision is necessary for the proper and efficient conduct of all or any telegraphs under this Act.

(3) When making rules for the conduct of any telegraph established, maintained or worked by any person licensed under this Act, the Central Government may by the rules prescribe fines for any breach of the same:

Provided that the fines so prescribed shall not exceed the following limits, namely:

- (i) When the person licensed under this Act is punishable for the breach, one thousand rupees, and in the case of a continuing breach, a further fine of two hundred rupees for every day after the first during the whole or any part of which the breach continues.
- (ii) When a servant of the person so licensed, or any other person, is punishable for the breach, one-fourth of the amounts specified in clause (i).

(4) Nothing in this section or in any rules made hereunder shall be construed as—

- (a) precluding the Central Government from entering into an agreement with a person for the establishment, maintenance and working by that Government on terms and conditions specified in the agreement of any telegraph line, appliance or apparatus for the purpose of affording means of telegraphic communication, where having regard to the number of the lines, appliance or apparatus required by that person for telegraphic communication, it is necessary or expedient to enter into such agreement with him, or
- (b) subjecting the Central Government to any obligation to provide any telegraph line appliance or apparatus for the

purpose of affording means of telegraphic communication.

²⁴[(5) Every rule made under this section shall be laid as may be after it is made before each House of Parliament while it is in session for a total period of thirty days ²⁵[which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid] both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.]

²⁶**7A. Saving of existing agreements.**—Nothing in section 7 shall authorise the making of any rules determining any agreement entered into by the Central Government with any person before the commencement of the Indian Telegraph (Amendment) Act, 1957 (47 of 1957), relating to the establishment, maintenance or working of any telegraph line, appliance or apparatus for telegraphic communication; and all rights and obligations thereunder relating to such establishment, maintenance or working shall be determined in accordance with the terms and conditions of such agreement.

7B. Arbitration of disputes.—(1) Except as otherwise expressly provided in this Act, if any dispute concerning any telegraph line, appliance or apparatus arises between the telegraph authority and the person for whose benefit the line, appliance or apparatus is, or has been provided, the dispute shall be determined by arbitration and shall, for the purposes of such determination, be referred to an arbitrator appointed by the Central Government either specially for the determination of that dispute or generally for the determination of disputes under this section.

(2) The award of the arbitrator appointed under sub-section (1) shall be conclusive between the parties to the dispute and shall not be questioned in any court.]

8. Revocation of licenses.—The Central Government may, at any time, revoke any license granted under section 4, on the breach of any of the conditions therein contained, or in default of payment of any consideration payable thereunder.

9. Government not responsible for loss or damage.—The Government shall not be responsible for any loss or damage which may occur in consequence of any telegraph officer failing in his duty with respect to the receipt, transmission or delivery of any message; and no such officer shall be responsible for any such loss or damage, unless he causes the same negligently, maliciously or fraudulently.

²⁷[PART IIA

UNIVERSAL SERVICE OBLIGATION FUND

[Not printed here, being covered by *Appendix-I* to Chapter 7.]

PART III

POWER TO PLACE TELEGRAPH LINES AND POSTS

10. Power for telegraph authority to place and maintain telegraph lines and posts.—The telegraph authority may, from time to time, place and maintain a telegraph line under, over, along, or across, and posts in or upon any immovable property:

Provided that—

- (a) the telegraph authority shall not exercise the powers conferred by this section except for the purposes of a telegraph established or maintained by the [Central Government], or to be so established or maintained;
- (b) the [Central Government] shall not acquire any right other than that of user only in the property under, over, along, across in or upon which the telegraph authority places any telegraph line or post; and
- (c) except as hereinafter provided, the telegraph authority shall not exercise those powers in respect of any property vested in or under the control or management of any local authority, without the permission of that authority; and
- (d) in the exercise of the powers conferred by this section, the telegraph authority shall do as little damage as possible, and, when it has exercised those powers in respect of any property other than that referred to in clause (c), shall pay full compensation to all persons interested for any damage sustained by them by reason of the exercise of those powers.

11. Power to enter on property in order to repair or remove telegraph lines or posts.—The telegraph authority may, at any time, for the purpose of examining, repairing, altering or removing any telegraph line or post, enter on the property under, over, along, across, in or upon which the line or post has been placed.

PROVISIONS APPLICABLE TO PROPERTY

VESTED IN OR UNDER THE CONTROL OR MANAGEMENT OF LOCAL AUTHORITIES

12. Power for local authority to give permission under section 10, clause (c), subject to conditions.—Any permission given by a local authority under section 10, clause (c), may be given subject to such reasonable conditions as that authority thinks fit to impose, as to the payment of any expenses to which the authority will necessarily be put in consequence of the exercise of the powers conferred by that section, or as to the time or mode of execution of any work, or as to any other thing connected with or relative to any work undertaken by the telegraph authority under those powers.

13. Power for local authority to require removal or alteration of telegraph line or post.—When, under the foregoing provisions of this Act, a telegraph line or post has been placed by the telegraph authority under, over, along, across, in or upon

any property vested in or under the control or management of a local authority, and the local authority, having regard to circumstances which have arisen since the telegraph line or post was so placed, considers it expedient that it should be removed or that its position should be altered, the local authority may require the telegraph authority to remove it or alter its position, as the case may be.

14. Power to alter position of gas or water pipes or drains.—The telegraph authority may, for the purpose of exercising the powers conferred upon it by this Act in respect of any property vested in or under the control or management of a local authority, alter the position thereunder of any pipe (not being a main) for the supply of gas or water, or of any drain (not being a main drain):

Provided that—

- (a) when the telegraph authority desires to alter the position of any such pipe or drain it shall give reasonable notice of its intention to do so, specifying the time at which it will begin to do so, to the local authority, and, when the pipe or drain is not under the control of the local authority, to the person under whose control the pipe or drain is;
- (b) a local authority or person receiving notice under clause (a) may send a person to superintend the work, and the telegraph authority shall execute the work to the reasonable satisfaction of the person so sent.

15. Disputes between telegraph authority and local authority.—(1) If any dispute arises between the telegraph authority and a local authority in consequence of the local authority refusing the permission referred to in section 10, clause (c), or prescribing any condition under section 12, or in consequence of the telegraph authority omitting to comply with a requisition made under section 13, or otherwise in respect of the exercise of the powers conferred by this Act, it shall be determined by such officer as the [Central Government] may appoint either generally or specially in this behalf.

(2) An appeal from the determination of the officer so appointed shall lie to the [Central Government]; and the order of the [Central Government] shall be final.

PROVISIONS APPLICABLE TO OTHER PROPERTY

16. Exercise of powers conferred by section 10, and disputes as to compensation, in case of property other than that of a local authority.—(1) If the exercise of the powers mentioned in section 10 in respect of property referred to in clause (d) of that section is resisted or obstructed, the District Magistrate may, in his discretion, order that the telegraph authority shall be permitted to exercise them.

(2) If, after the making of an order under sub-section (1), any person resists the exercise of those powers, or, having control over the property, does not give all facilities for this being exercised, he shall be deemed to have committed an offence under section 188 of the Indian Penal Code (45 of 1860).

(3) If any dispute arises concerning the sufficiency of the compensation to be paid under section 10, clause (d), it shall, on application for that purpose by either of the disputing parties to the District Judge within whose jurisdiction the property is situate, be determined by him.

(4) If any dispute arises as to the persons entitled to receive compensation, or as to the proportions in which the persons interested are entitled to share in it, the telegraph authority may pay into the Court of the District Judge such amount as he deems sufficient or, where all the disputing parties have in writing admitted the amount tendered to be sufficient or the amount has been determined under sub-section (3), that amount; and the District Judge, after giving notice to the parties and hearing such of them as desire to be heard, shall determine the persons entitled to receive the compensation or, as the case may be, the proportions in which the persons interested are entitled to share in it.

(5) Every determination of a dispute by a District Judge under sub-section (3) or sub-section (4) shall be final:

Provided that nothing in this sub-section shall affect the right of any person to recover by suit the whole or any part of any compensation paid by the telegraph authority, from the person who has received the same.

17. Removal or alteration of telegraph line or post on property other than that of a local authority.—(1) When, under the foregoing provisions of this Act, a telegraph line or post has been placed by the telegraph authority under, over, along, across, in or upon any property, not being property vested in or under the control or management of a local authority, and any person entitled to do so desires to deal with that property in such a manner as to render it necessary or convenient that the telegraph line or post should be removed to another part thereof or to a higher or lower level or altered in form, he may require the telegraph authority to remove or alter the line or post accordingly:

Provided that, if compensation has been paid under section 10, clause (d), he shall, when making the requisition, tender to the telegraph authority the amount requisite to defray the expense of the removal or alteration, or half of the amount paid as compensation, whichever may be the smaller sum.

(2) If the telegraph authority omits to comply with the requisition, the person making it may apply to the District Magistrate within whose jurisdiction the property is situated to order the removal or alteration.

(3) A District Magistrate receiving an application under sub-section (2) may, in his discretion reject the same or make an order, absolutely or subject to conditions, for the removal of the telegraph line or post to any other part of the property or to higher or lower level or for the alteration of its form; and the order so made shall be final.

PROVISIONS APPLICABLE TO ALL PROPERTY

18. Removal of trees interrupting telegraphic communication.—(1) If any tree standing or lying near a telegraph line interrupts, or is likely to interrupt, telegraphic communication, a Magistrate of the first or second class may, on the application of the telegraph authority, cause the tree to be removed or dealt with in such other way as he deems fit.

(2) When disposing of an application under sub-section (1), the Magistrate shall, in the case of any tree in existence

before the telegraph line was placed, award to the persons interested in the tree such compensation as he thinks reasonable, and the shall be final.

19. Telegraph lines and posts placed before passing of this Act.—Every telegraph line or post placed before the passing of this Act under, over, along, across, in or upon any property, for the purposes of a telegraph established or maintained by the [Central Government], shall be deemed to have been placed in exercise of the powers conferred by, and after observance of all the requirement of, this Act.

²⁸**19A. Person exercising legal right likely to damage telegraph or interfere with telegraphic communication to give notice.**—(1) Any person desiring to deal in the legal exercise of a right with any property in such a manner as is likely to cause damage to a telegraph line or post which has been duly placed in accordance with the provisions of this Act, or to interrupt or interfere with telegraphic communication, shall give not less than one month's notice in writing of the intended exercise of such right to the telegraph authority, or to any telegraph officer whom the telegraph authority may empower in this behalf.

(2) If any such person without having complied with the provisions of sub-section (1) deals with any property in such a manner as is likely to cause damage to any telegraph line or post, or to interrupt or interfere with telegraphic communication, a Magistrate of the first or second class may, on the application of the telegraph authority, order such person to abstain from dealing with such property in such manner for a period not exceeding one month from the date of his order and forthwith to take such action with regard to such property as may be in the opinion of the Magistrate necessary to remedy or prevent such damage, interruption or interference during such period.

(3) A person dealing with any property in the manner referred to in sub-section (1) with the *bona fide* intention of averting imminent danger of personal injury to himself or any other human being shall be deemed to have complied with the provisions of the said sub-section, if he gives such notice of the intended exercise of the right as is in the circumstances possible, or where no such previous notice can be given without incurring the imminent danger referred to above, if he forthwith gives notice of the actual exercise of such right to the authority of officer specified in the said sub-section.

19B. Power to confer upon licensee powers of telegraph authority under this Part.—The Central Government may, by notification in the Official Gazette, confer upon any licensee under section 4, in respect of the extent of his license and subject to any conditions and restrictions which the Central Government may think fit to impose and to the provisions of this Part, all or any of the powers which the telegraph authority possesses under this Part with regard to a telegraph established or maintained by the Government or to be so established or maintained:

Provided that the notice prescribed in section 19A shall always be given to the telegraph authority or officer empowered to receive notice under section 19A(1).]

PART IV PENALTIES

20. Establishing, maintaining or working unauthorised telegraph.—(1) If any person establishes, maintains or works a telegraph within ²⁹[India] in contravention of the provisions of section 4 or otherwise than as permitted by rules made under that section, he shall be punished, if the telegraph is a wireless telegraph, with imprisonment which may extend to three years, or with fine, or with both, and in any other case, with a fine which may extend to one thousand rupees.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (5 of 1898), offences under this section in respect of a wireless telegraph shall, for the purposes of the said Code, be bailable and non-cognizable.

(3) When any person is convicted of an offence punishable under this section, the Court before which he is convicted may direct that the telegraph in respect of which the offence has been committed, or any part of such telegraph, be forfeited to Government.

³⁰**20A. Breach of condition of license.**—If the holder of a license granted under section 4 contravenes any condition contained in his license, he shall be punished with fine which may extend to one thousand rupees, and with a further fine which may extend to five hundred rupees for every week during which the breach of the condition continues.]

21. Using unauthorised telegraphs.—If any person, knowing or having reason to believe that a telegraph has been established or is maintained or worked in contravention of this Act, transmits or receives any message by such telegraph, or performs any service incidental thereto, or delivers any message for transmission by such telegraph or accepts delivery of any message sent thereby, he shall be punished with fine which may extend to fifty rupees.

22. Opposing establishment of telegraphs on railway land.—If a Railway Company, or an officer of a Railway Company, neglects or refuses to comply with the provisions of section 6, it or he shall be punished with fine which may extend to one thousand rupees for every day during which the neglect or refusal continues.

23. Intrusion into signal-room, trespass in telegraph office or obstruction.—If any person—

- (a) without permission of competent authority, enters the signal-room of a telegraph office of the Government, or of a person licensed under this Act, or
- (b) enters a fenced enclosure round such a telegraph office in contravention of any rule or notice not to do so, or
- (c) refuses to quit such room or enclosure on being requested to do so by any officer or servant employed therein, or
- (d) wilfully obstructs or impedes any such officer or servant in the performance of his duty,

he shall be punished with fine which may extend to five hundred rupees.

24. Unlawfully attempting to learn the contents of messages.—If any person does any of the acts mentioned in section 23 with the intention of unlawfully learning the contents of any message, or of committing any offence punishable under this Act, he may (in addition to the fine with which he is punishable under section 23) be punished with imprisonment for a term which may extend to one year.

25. Intentionally damaging or tampering with telegraphs.—If any person, intending—

- (a) to prevent or obstruct the transmission or delivery of any message, or
- (b) to intercept or to acquaint himself with the contents of any message, or
- (c) to commit mischief,

damages, removes, tampers with or touches any battery, machinery, telegraph line, post or other thing whatever, being part of or used in or about any telegraph or in the working thereof, he shall be punished with imprisonment for a term which may extend to three years, or with fine or with both.

³¹**[25A. Injury to or interference with a telegraph line or post.**—If, in any case not provided for by section 25, any person deals with any property and thereby wilfully or negligently damages any telegraph line or post duly placed on such property in accordance with the provisions of this Act, he shall be liable to pay the telegraph authority such expenses (if any) as may be incurred in making good such damage, and shall also, if the telegraphic communication is by reason of the damage so caused interrupted, be punishable with a fine which may extend to one thousand rupees:

Provided that the provisions of this section shall not apply where such damage or interruption is caused by a person dealing with any property in the legal exercise of a right if he has complied with the provisions of section 19A(1).]

26. Telegraph officer or other official making away with or altering, or unlawfully intercepting or disclosing messages, or divulging purport of signals.—If any telegraph officer, or any person, not being a telegraph officer, but having official duties connected with any office which is used as a telegraph office—

- (a) wilfully, secretes, makes away with or alters any message which he has received for transmission or delivery, or
- (b) wilfully, and otherwise than in obedience to an order of the Central Government or of a State Government, or of an officer specially authorised [by the Central or a State Government] to make the order, omits to transmit, or intercepts or detains, any message or any part thereof, or otherwise than in pursuance of his official duty or in obedience to the direction of a competent Court, discloses the contents or any part of the contents of any message, to any person not entitled to receive the same, or
- (c) divulges the purport of any telegraphic signal to any person not entitled to become acquainted with the same,

he shall be punished with imprisonment for a term which may extend to three years, or with fine, or with both.

27. Telegraph officer fraudulently sending messages without payment. —If any telegraph officer transmits by telegraph any message on which the charge prescribed by the [Central Government], or by a person licensed under this Act, as the case may be, has not been paid, intending thereby to defraud the [Central Government], or that person, he shall be punished with imprisonment for a term which may extend to three years, or with fine, or with both.

28. Misconduct.—If any telegraph officer, or any person not being a telegraph officer but having official duties connected with any office which is used as a telegraph office is guilty of any Act of drunkenness, carelessness or other misconduct whereby the correct transmission or the delivery of any message is impeded or delayed or if any telegraph officer loiters or delays in the transmission or delivery of any message, he shall be punished with imprisonment for a term which may extend to three months, or with fine which may extend to one hundred rupees, or with both.

29. [Sending fabricated messages].—Repealed by the Indian Telegraph (Amendment) Act, 1971 (33 of 1971), section 4.

[29A. Penalty.—If any person, without due authority, —

- (a) makes or issues any document of a nature reasonably calculated to cause it to be believed that the document has been issued by, or under the authority of, the Director-General of [Posts and Telegraphs], or
- (b) makes on any document any mark in imitation of, or similar to, or purporting to be, any stamp or mark of any Telegraph Office under the Director General of [Posts and Telegraphs], or a mark of a nature reasonably calculated to cause it to be believed that the documents so marked has been issued by, or under the authority of, the Director-General of ³²[Posts and Telegraphs],

he shall be punished with fine which may extend to fifty rupees.]

30. Retaining a message delivered by mistake.—If any person fraudulently retains, or wilfully secretes, makes away with or detains a message which ought to have been delivered to some other person, or, being required by a telegraph officer to deliver up any such message, neglects or refuses to do so, he shall be punished with imprisonment for a term which may extend to two years, or with fine, or with both.

31. Bribery.—A telegraph officer shall be deemed a public servant within the meaning of sections 161, 162, 163, 164 and 165 of the Indian Penal Code (45 of 1860); and in the definition of 'legal remuneration' contained in the said section 161, the word 'Government' shall, for the purposes of this Act, be deemed to include a person licensed under this Act.

32. Attempts to commit offences.—Whoever attempts to commit any offence punishable under this Act shall be punished with the punishment herein provided for the offence.

PART V
SUPPLEMENTAL PROVISION

33. Power to employ additional police in places where mischief to telegraphs is repeatedly committed.—(1) Whenever it appears to the State Government that any act causing or likely to cause wrongful damage to any telegraph is repeatedly and maliciously committed in any place, and that the employment of an additional police force in that place is thereby rendered necessary, the State Government may send such additional police force as it thinks fit to the place, and employ the same therein so long as, in the opinion of that Government, the necessity of doing so continues.

(2) The inhabitants of the place shall be charged with the cost of the additional police force, and the District Magistrate shall, subject to the orders of the State Government, assess the proportion in which the cost shall be paid by the inhabitants according to his judgment of their respective means.

(3) All moneys payable under sub-section (2) shall be recoverable either under the warrant of a Magistrate by distress and sale of the movable property of the defaulter within the local limits of his jurisdiction, or by suit in any competent Court.

(4) The State Government may, by order in writing, define the limits of any place for the purposes of this section.

[34. Application of Act to Presidency-towns.—(1) This Act, in its application to the Presidency-towns, shall be read as if for the words 'District Magistrate' in section 16, sub-section (1), and section 17, sub-sections (2) and (3), for the words 'Magistrate of the first or second class' in section 18, sub-section (1), [and section 19A, sub-section (2),] and for the word 'Magistrate' in section 18 sub-section (2), there had been enacted the words 'Commissioner of Police', and for the 'District Judge' in section 16, sub-sections (3), (4) and (5), the words 'Chief Judge of the Court of Small Causes'.

³³[(2) Omitted].

(3) The fee in respect of an application to the Chief Judge of a Presidency Court of Small Causes under sub-section (3) of section 16 shall be the same as would be payable under the Court-fees Act, 1870 (7 of 1870), in respect of such an application to a District Judge beyond the limits of a Presidency-town, and fees for summonses and other processes in proceedings before the Chief Judge under sub-section (3) or sub-section (4) of that section shall be payable according to the scale set forth in the Fourth Schedule to the Presidency Small Causes Courts Act, 1882.

35. Reference to certain laws of Part B States.—[Repealed by Part B States (Laws) Act, 1951 (Act 3 of 1951), section 3 and Schedule.]

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***“The only good is knowledge, and
the only evil is ignorance.”***

– Socrates

Annexure B

Extracts from the Indian Wireless Telegraphy Act (ACT XVII OF 1933)

An Act to regulate the possession of wireless telegraphy apparatus.

Whereas it is expedient to regulate the possession of wireless telegraphy apparatus in India; It is hereby enacted as follows:

1. Short title, extent and commencement.—

- (1) This Act may be called the Indian Wireless Telegraphy Act, 1933.
- (2) It extends to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. Definitions.—

In this Act, unless there is anything repugnant in the subject or context—

- (1) 'wireless communication' means any transmission, omission or reception of signs, signals, writing, images and sounds, or intelligence of any nature by means of electricity, magnetism, or Radio waves or Hertzian waves, without the use of wires or other continuous electrical conductors between the transmitting and the receiving apparatus; *Explanation.*—'Radio waves' or 'Hertzian waves' means electromagnetic waves of frequencies lower than 3,000 gigacycles per second propagated in space without artificial guide;
- (2) 'wireless telegraphy apparatus' means any apparatus, appliance, instrument or material used or capable of use in wireless communication, and includes any article determined by rule made under Sec. 10 to be wireless telegraphy apparatus, but does not include any such apparatus, appliance, instrument or material commonly used for other electrical purposes, unless it has been specially designed or adapted for wireless communication or forms part of some apparatus, appliance, instrument or material specially so designed or adapted, nor any article determined by rule made under Section 10 not to be wireless telegraphy apparatus;
- (2A) 'wireless transmitter' means any apparatus, appliance, instrument or material used or capable of use for transmission or omission of wireless communication;
- (3) 'prescribed' means prescribed by rules made under Section 10.

3. Prohibition of possession of wireless telegraphy apparatus without licence.—Save as provided by Section 4, no person shall possess wireless telegraphy apparatus except under and in accordance with a licence issued under this Act.

4. Power of Central Government to exempt persons from provisions of the Act.—

The Central Government may by rules made under this Act exempt any person or any class of persons from the provisions of this Act either generally or subject to prescribed conditions, or in respect of specified wireless telegraphy apparatus.

5. Licences.—

The telegraphy authority constituted under the Indian Telegraph Act, 1885, shall be the authority competent to issue licences to possess wireless telegraphy apparatus under this Act, and may issue licences in such manner, on such conditions and subject to such payments, as may be prescribed.

6. Offence and penalty.—

- (1) Whoever possesses any wireless telegraphy apparatus, other than a wireless transmitter, in contravention of the provisions of Section 3 shall be punished, in the case of the first offence, with fine which may extend to one hundred rupees, and, in the case of a second or subsequent offence, with fine which may extend to two hundred and fifty rupees.
- (1A) Whoever possesses any wireless transmitter in contravention of the provisions of Section 3 shall be punished with imprisonment which may extend to three years, or with fine which may extend to one thousand rupees or with both.
- (2) For the purposes of this section a Court may presume that a person possesses wireless telegraphy apparatus if such apparatus is under his ostensible charge, or is located in any premises or place over which he has effective control.
- (3) If in the trial of an offence under this section the accused is convicted the Court shall decide whether any apparatus in respect of which an offence has been committed should be confiscated, and, if it so decides, may order confiscation accordingly.

7. Power of search.—

Any officer specially empowered by the Central Government in this behalf may search any building, vessel or place in which he has reason to believe that any wireless telegraphy apparatus, in respect of which an offence punishable under Section 6 has been committed, is kept or concealed, and take possession thereof.

8. Apparatus confiscated or having no owner to be property of Central Government.—

All wireless telegraphy apparatus confiscated under the provisions of sub-section (3) of Section 6, and all wireless telegraphy

apparatus having no ostensible owner shall be the property of the Central Government.

9. Power of Court to direct payment of fines to prescribed authority.—

Ceased to have effect by A.O., 1937 and repealed by the Repealing and Amending Act, 1940 (32 of 1940), S. 2 and Schedule-I

10. Power of Central Government to make rules.—

- (1) The Central Government may, by notification in the Official Gazette, make rules for the purpose of carrying into effect the provisions of this Act.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—
 - (i) determining that any article or class of article shall be or shall not be wireless telegraphy apparatus for the purposes of this Act;
 - (ii) the exemption of persons or classes of persons under Section 4 from the provisions of this Act;
 - (iii) the manner of and the conditions governing the issue, renewal, suspension and cancellation of licences, the form of licences and the payments to be made for the issue and renewal of licences;
 - (iv) the maintenance of records containing details of the acquisition and disposal by sale or otherwise of wireless telegraphy apparatus possessed by dealers in wireless telegraphy apparatus;
 - (v) the conditions governing the sale of wireless telegraphy apparatus by dealers in and manufacturers of such apparatus.
- (3) In making a rule under this section the Central Govt. may direct that a breach of it shall be punishable with fine which may extend to one hundred rupees.
- (4) Every rule made [in] this section shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of 30 days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

11. Savings of Indian Telegraph Act, 1885.—

Nothing in this Act contained shall authorise the doing of anything prohibited under the Indian Telegraph Act, 1885, and no licence issued under this Act shall authorise any person to do anything for the doing of which a licence or permission under the Indian Telegraph Act, 1885, is necessary.

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Think it over:

As Government servants, we are expected to handle public funds and public property in trust for the country and its people.

Annexure C

THE TELECOM REGULATORY AUTHORITY OF INDIA ACT, 1997 (No. 24 of 1997)

[28th March, 1997]

An Act to provide for the establishment of the Telecom Regulatory Authority of India to regulate the telecommunication services, and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Forty-eighth Year of the Republic of India as follows:-

CHAPTER I PRELIMINARY

1. (1) This Act may be called the Telecom Regulatory Authority of India Act, 1997.
(2) It extends to the whole of India.
(3) It shall be deemed to have come into force on the 25th day of January 1997.
2. (1) In this Act, unless the context otherwise requires:-
 - a. "appointed day" mean the date with effect from which the Authority is established under sub-section (1) of section 3;
 - b. "Authority" means the Telecom Regulatory Authority of India established under sub-section (1) of section 3;
 - c. "Chairperson" means the Chairperson of the Authority appointed under sub-section (3) of section 3;
 - d. "Fund" means the Fund constituted under sub-section (1) of Section 22;
 - e. "Licencee" means any person licenced under sub-section (1) of section 4 of the Indian Telegraph Act, 1885 for providing specified public telecommunication services;
 - f. "member" means a member of the Authority appointed under sub-section (3) of section 3 and includes the Chairperson and Vice-Chairperson ;
 - g. "notification" means a notification published in the Official Gazette;
 - h. "prescribed" means prescribed by rules made under this Act;
 - i. "regulations" means regulations made by the Authority under this Act;
 - j. "service provider" means the Government and includes a licensee;
 - k. "telecommunication service" means service of any description (including electronic mail, voice mail, data services, audio tex services, video tex services, radio paging and cellular mobile telephone services) which is made available to users by means of any transmission or reception of signs, signals, writing, images and sounds or intelligence of any nature, by wire, radio, visual or other electro-magnetic means but shall not include broadcasting services.

(2) Words and expressions used and not defined in this Act but defined in the Indian Telegraph Act, 1885 or the Indian Wireless Telegraphy Act, 1933, shall have the meanings respectively assigned to them in those Acts.
(3) Any reference in this Act to a law which is not in force in the State of Jammu and Kashmir shall in relation to that State be construed as a reference to the corresponding law, if any, in that State.

Chapter –II

Telecom Regulatory Authority of India

3. (1) With effect from such date as the Central Government may, by notification appoint, there shall be established, for the purposes of this Act, an Authority to be called the Telecom Regulatory Authority of India.
(2) The Authority shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall, by the said name, sue or be sued.
(3) The authority shall consist of a Chairperson, and not less than two, but not exceeding six members, to be appointed by the Central Government
(4) The head office of the Authority shall be at New Delhi.
4. (1) The Chairperson shall be a person who is or has been a Judge of the Supreme Court or who is or has been the Chief Justice of a High Court.
(2) A Member shall be a person who has special knowledge of, and professional experience in, telecommunication, industry, finance, accountancy, law, management and consumer affairs:

Provided that a person who is or has been in the service of Government shall not be appointed as a member

unless such person has held the post of Secretary or Additional Secretary, or the post of Additional Secretary and Secretary to the Government of India or any equivalent post in the Central Government or the State Government for a period of three years.

5. (1) Before appointing any person as the Chairperson or Member, the Central Government shall satisfy itself that the person does not have any such financial or other interest as is likely to affect prejudicially his functions as such member.
- (2) The Chairperson shall hold office for a term of five years from the date on which he enters upon his office.
- (3) A member shall hold office for a term of five years from the date on which he enters upon his office or until he attains the age of sixty-five years, whichever is earlier.
- (4) The employee of the Government on his selection as member shall have to retire from service before joining as a member.
- (5) The salary and allowances payable to and the other terms and conditions of service of the Chairperson and other members shall be such as may be prescribed.
- (6) The salary, allowances and other conditions of service of the Chairperson or of a member shall not be varied to his disadvantage after appointment.
- (7) Notwithstanding anything contained in sub-section (2) or sub-section (3), a member may-
- (a) relinquish his office by giving in writing to the Central Government notice of not less than three months; or
 - (b) be removed from his office in accordance with the provisions of section 7.
- (8) The Chairperson or any other member ceasing to hold office as such, shall-
- (a) be ineligible for further employment under the Central Government or any State Government; or
 - (b) not accept any commercial employment, for a period of two years from the date he ceases to hold such office.
- (9) A vacancy caused to the office of the Chairperson or any other member shall be filled up within a period of three months from the date on which such vacancy occurs.

Explanation - For the purposes of this section, "commercial employment" means employment in any capacity under, or agency of, a person engaged in trading, commercial, industrial or financial business in any field and includes also a director of a company or partner of a firm and it also includes setting up practice either independently or as partner of a firm or as an adviser or a consultant.

6. (1) The Chairperson shall have powers of general superintendence and directions in the conduct of the affairs of the Authority and he shall, in addition to presiding over the meetings of the Authority, exercise and discharge such powers and functions of the Authority and shall discharge such other powers and functions as may be prescribed.
- (2) The Central Government may appoint one of the members to be a Vice-Chairperson of the Authority who shall exercise and discharge such powers and functions of the Chairperson as may be prescribed or as may be delegated to him by the Authority.
7. (1) The Central Government may remove from office any member, who-
- a. has been adjudged an insolvent; or
 - b. has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or
 - c. has become physically or mentally incapable of acting as a member ; or
 - d. has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
 - e. has so abused his position as to render his continuance in office prejudicial to be public interest.
- (2) Notwithstanding anything contained in sub-section (1), no member shall be removed from his office on the ground specified in clause (d) or clause (e) of that sub-section unless the Supreme Court on a reference being made to it in this behalf by the Central Government, has, on an enquiry, held by it in accordance with such procedure as prescribed in this behalf, reported that the member ought on such ground or grounds to be removed.
- (3) The Central Government may suspend from office a member in respect of whom a reference has been made to the Supreme Court under Sub-Section (2) until the Central Government has passed an order on receipt of the report of the Supreme Court on such reference.
8. (1) The Authority shall meet at such times and places, and shall observe such rules of procedure in regard to the transaction of business at its meetings (including quorum at such meetings) as may be provided by regulations.
- (2) The Chairperson or, if for any reason, he is unable to attend a meeting of the Authority, Vice-Chairperson and in his absence, any other member chosen by the members present from amongst themselves at the meeting shall preside at the meeting.
- (3) All questions which come up before any meeting of the Authority shall be decided by a majority vote of the members present and voting, and in the event of an equality of votes, the Chairperson or in his absence, the person presiding, shall have a second or casting vote.
- (4) The Authority may make regulations for the transaction of business at its meetings.
9. No act or proceeding of the Authority shall be invalid merely by reason of-
- a. any vacancy in, or any defect in the constitution of, the Authority; or

- b. any defect in the appointment of a person acting as a member of the Authority; or
- c. any irregularity in the procedure of the Authority not affecting the merits of the case.

10. (1) The Authority may appoint officers and such other employees as it considers necessary for the efficient discharge of its functions under this Act.
 (2) The salary and allowances payable to and the other conditions of service of the officers and other employees of the Authority appointed under sub-section (1) shall be such as may be determined by regulations.

Chapter –III Powers & functions of the Authority

11. (1) Notwithstanding anything contained in the Indian Telegraph Act, 1885, the functions of the Authority shall be to-
- a. recommend the need and timing for introduction of new service provider;
 - b. recommend the terms and conditions of licence to a service provider;
 - c. ensure technical compatibility and effective inter-connection between different service providers;
 - d. regulate arrangement amongst service providers of sharing their revenue derived from providing telecommunication services;
 - e. ensure compliance of terms and conditions of licence;
 - f. recommend revocation of licence for non-compliance of terms and conditions of licence;
 - g. laydown and ensure the time period for providing local and long distance circuits of telecommunication between different service providers;
 - h. facilitate competition and promote efficiency in the operation of telecommunication services so as to facilitate growth in such services;
 - l. protect the interest of the consumers of telecommunication service;
 - j. monitor the quality of service and conduct the periodical survey of such provided by the service providers;
 - k. inspect the equipment used in the network and recommend the type of equipment to be used by the service providers;
 - l. maintain register of interconnect agreements and of all such other matters as may be provided in the regulations;
 - m. keep register maintained under clause (l) open for inspection to any member of public on payment of such fee and compliance of such other requirements as may be provided in the regulations;
 - n. settle disputes between service providers;
 - o. render advice to the Central Government in the matters relating to the development of telecommunication technology and any other matter relatable to telecommunication industry in general;
 - p. levy fees and other charges at such rates and in respect of such services as may be determined by regulations;
 - q. ensure effective compliance of universal service obligations;
 - r. perform such other functions including such administrative and financial functions as may be entrusted to it by the Central Government or as may be necessary to carry out the provisions of this Act.
- (2) Notwithstanding anything contained in the Indian Telegraph Act, 1885, the Authority may, from time to time, by order, notify in the Official Gazette the rates at which the telecommunication services within India and outside India shall be provided under this Act including the rates at which messages shall be transmitted to any country outside India;
Provided that the Authority may notify different rates for different persons or class of persons for similar telecommunication services and where different rates are fixed as aforesaid the Authority shall record the reasons therefor.
- (3) While discharging its functions under sub-section (1), the Authority shall not act against the interest of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality.
- (4) The Authority shall ensure transparency while exercising its powers and discharging its functions.
12. (1) Where the Authority considers it expedient so to do, it may, by order in writing, –
- a. call upon any service provider at any time to furnish in writing such information or explanation relating to its affairs as the Authority may require; or
 - b. appoint one or more persons to make an inquiry in relation to the affairs of any service provider; and
 - c. direct any of its officers or employees to inspect the books of account or other documents of any service provider.
- (2) Where any inquiry in relation to the affairs of a service provider has been undertaken under sub-section (1)-
- a. every officer of the Government Department, if such service provider is a department of the Government;
 - b. every director, manager, secretary or other officer, if such service provider is a company; or
 - c. every partner, manager, secretary or other officer, if such service provider is a firm; or
 - d. every other person or body of persons who has had dealings in the course of business with any of the persons mentioned in clauses (b) and (c), shall be bound to produce before the Authority making the inquiry, all such books of account or other documents in his custody or power relating to, or having a bearing on the subject-matter of such inquiry and also to furnish to the Authority with any such statement or information relating thereto, as the case may be, required of him, within such time as may be specified.

- (3) Every service provider shall maintain such books of account or other documents as may be prescribed.
 (4) The Authority shall have the power to issue such directions to service providers as it may consider necessary for proper functioning by service providers.

13. The Authority may, for the discharge of its functions under sub-section (1) of section 11, issue such directions from time to time to the service providers, as it may consider necessary.

Chapter –IV

Settlement of Disputes

14. (1) If a dispute arises, in respect of matters referred to in sub-section (2), among service providers or between service providers and a group of consumers, such disputes shall be adjudicated by a bench constituted by the Chairperson and such bench shall consist of two members;
Provided that if the members of the bench differ on any point or points they shall state the point or points on which they differ and refer the same to a third member for hearing on such point or points and such point or points shall be decided according to the opinion of that member.
 (2) The bench constituted under sub-section (1) shall exercise, on and from the appointed day all such jurisdiction, powers and authority as were exercisable immediately before that date by any civil court on any matter relating to-
 i. technical compatibility and inter-connections between service providers;
 ii. revenue sharing arrangements between different service providers;
 iii. quality of telecommunication services and interest of consumers;
Provided that nothing in this sub-section shall apply in respect of matters relating to-
 (a) the monopolistic trade practice, restrictive trade practice and unfair trade practice which are subject to the jurisdiction of the Monopolies and Restrictive Trade Practices Commission established under sub-section (1) of section 5 of the Monopolies and Restrictive Trade Practices Act, 1969;
 (b) the complaint of an individual consumer maintainable before a Consumer Disputes Redressal Forum or a Consumer Disputes Redressal Commission or the National Consumer Redressal Commission established under section 9 of the Consumer Protection Act, 1986;
 (c) dispute between telegraph authority and any other person referred to in sub-section (1) of section 7B of the Indian Telegraph Act, 1885.
15. (1) An aggrieved person may make an application in respect of matters referred to in sub-section (2) of section 14 within such period as may be prescribed.
Explanation – For the purpose of this sub-section, the expression "aggrieved person" means-
 i. any service provider who has a dispute in respect of matters referred to in clauses (i) and (ii) of sub-section (2) of section 14;
 ii. where any loss or damage is caused to a group of consumers, any member representing such group of consumers.
 (2) On receipt of an application made under sub-section (1), the Authority may, after giving the parties an opportunity of being heard, pass such orders as it thinks fit preferably within a period of six months from the date of filing of such application and shall record reasons in writing if final order cannot be passed within the said period.
 (3) While arriving at a decision, the Authority shall record in writing the reasons for such decision.
 (4) Every decision of the Authority shall be published in the annual report of the Authority
 (5) The orders and directions of the Authority shall be binding on the service providers, Government and all other persons concerned.
16. (1) The Authority shall be guided by the principles of natural justice.
 (2) The Authority shall have, for the purpose of discharging their functions under this Chapter, the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 in respect of the following matters, namely : –
 (a) summoning and enforcing the attendance of any person and examining him on oath;
 (b) requiring the discovery and production of documents;
 (c) receiving evidence on affidavits;
 (d) issuing commissions for the examination of witnesses or documents;
 (e) reviewing its decisions;
 (f) dismissing an application for default or deciding it *ex parte*;
 (g) setting aside any order of dismissal of any application for default or any order passed by it *ex parte*;
 (h) any other matter which may be prescribed.
 (3) Every proceeding before the Authority shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228, and for the purpose of section 196 of the Indian Penal Code and the Authority shall be deemed to be a civil court for all the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure 1973.
17. The applicant may either appear in person or authorise one or more legal practitioners or any of its officers to present his or its case before the Authority.

18. Any person aggrieved by any decision or order of the Authority may file an appeal to the High Court within thirty days from the date of communication of the decision or order of the Authority to him;
Provided that the High Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.

19. Every order made by the Authority under this Act or the order made by the High Court in any appeal against any order of the Authority shall, on a certificate issued by any officer of the Authority or the Registrar of the High Court, as the case may be, be deemed to be decree of the civil court and shall be executable in the same manner as a decree of that court.

20. If any person willfully fails to comply with the orders of the Authority or any order of the High Court, as the case may be, he shall be punishable with fine which may extend to one lakh rupees and in case of a second or subsequent offence with fine which may extend to two lakh rupees and in the case of continuing contravention with additional fine which may extend to two lakh rupees for every day during which the default continues

Chapter –V Finance, Accounts and Audit

21. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Authority grants of such sums of money as are required to pay salaries and allowances payable to the Chairperson and the members and the administrative expenses including the salaries, allowances and pension payable to or in respect of officers and other employees of the Authority.

22. (1) There shall be constituted a Fund to be called the Telecom Regulatory Authority of India General Fund and there shall be credited thereto-

- (a) all grants, fees and chargers received by the Authority under this Act; and
- (b) all sums received by the Authority from such other sources as may be decided upon by the Central Government.

The Fund shall be applied for meeting-

- (a) the salaries and allowances payable to the Chairperson and members and the administrative expenses including the salaries, allowances and pension payable to or in respect of officers and other employees of the Authority; and
- (b) the expenses on objects and for purposes authorised by this Act.

23. (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Authority shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such auditor shall be payable by the Authority to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any other person appointed by him in connection with the audit of the accounts of the Authority shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has, in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Authority.

(4) The accounts of the Authority as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

24. (1) The Authority shall furnish to the Central Government at such time and in such form and manner as may be prescribed or as the Central Government may direct, such returns and statements and such particulars in regard to any proposed or existing programme for the promotion and development of the telecommunication services, as the Central Government from time to time require.

(2) The Authority shall prepare once every year in such form and at such time as may be prescribed, an annual report giving a summary of its activities during the previous year and copies of the report shall be forwarded to the Central Government.

(3) A copy of the report received under sub-section (2) shall be laid, as soon as may be after it is received, before each House of Parliament.

Chapter VI Miscellaneous

25. (1) The Central Government may, from time to time, issue to the Authority such directions as it may think necessary in the interest of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality.

(2) Without prejudice to the foregoing provisions, the Authority shall, in exercise of its powers or the performance of its functions, be bound by such directions on questions of policy as the Central Government may give in writing to it

from time to time:

Provided that the Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(3) The decision of the Central Government whether a question is one of policy or not shall be final.

- 26 All members, officers and other employees of the Authority shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act to be public servants within the meaning of section 21 of the Indian Penal Code.
- 27 No civil court shall have jurisdiction in respect of any matter which the Authority is empowered by or under this Act to determine.
- 28 No suit, prosecution or other legal proceedings shall lie against the Central Government or the Authority or any officer of Central government or any member, officer or other employees of the Authority for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.
- 29 If a person violates directions of the Authority, such person shall be punishable with fine which may extend to one lakh rupees and in case of second or subsequent offence with fine which may extend to two lakh rupees and in the case of containing contravention with additional fine which may extend to two lakh rupees for every day during which the default continues.
- 30 (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:
Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.
(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.
Explanation – For the purposes of this section-
a. "company" means any body corporate and includes a firm or other association of individuals; and
b. "director", in relation to a firm, means a partner in the firm.
- 31 (1) Where an offence under this Act has been committed by any Department of government, the Head of the Department shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly unless he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the Commission of such offence.
(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a Department of Government and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any officer, other than the Head of the Department, such officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.
- 32 Notwithstanding anything contained in the Wealth-tax Act, 1957, the Income Tax Act, 1961, or any other enactment for the time being in force relating to tax on wealth, income, profits or gains, the Authority shall not be liable to pay wealth-tax, income tax or any other tax in respect of their wealth, income, profits or gains derived.
- 33 The Authority may, by general or special order in writing, delegate to any member, officer of the Authority or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the power to settle dispute under Chapter IV and to make regulation under section 36 as it may deem necessary.
- 34 (1) No court shall take cognizance of any offence punishable under this Act or the rules or regulations made thereunder, save on a complaint made by the Authority.
(2) No court inferior to that of a Chief Metropolitan Magistrate or a Chief Judicial Magistrate of first class shall try any offence punishable under this Act.
- 35 (1) The Central government may, by notification, make rules for carrying out the purposes of this Act.
(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely-
(a) the salary and allowances payable to and the other conditions of service of the Chairperson and members under sub-section (5) of section 5;
(b) the powers and functions of the Chairperson under sub-section (1) of section 6;
(c) the procedure for conducting an inquiry made under sub-section (2) of section 7;
(d) the category of books of accounts or other documents which are required to be maintained under sub-section (3) of section 12;

- (e) the period within which an application is to be made under sub-section (1) of section 15;
- (f) the manner in which the accounts of the Authority shall be maintained under sub-section (1) of section 23;
- (g) the time within which and the form and manner in which returns and report are to be made to the Central Government under sub-sections (1) and (2) of section 24;
- (h) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules;

- 36 (1) The Authority may, by notification, make regulations consistent with this Act and the rules made thereunder to carry out the purposes of Act.
- (2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:-
- (a) the times and places of meetings of the Authority and the procedure to be followed at such meetings under sub-section (1) of section 8, including quorum necessary for the transaction of business;
 - (b) the transaction of business at the meetings of the Authority under sub-section (4) of section 8;
 - (c) the salaries and allowances payable to and the other conditions of service of officers and other employees of the Authority under sub-section (2) of section 10;
 - (d) matters in respect of which register is to be maintained by the Authority under clause (l) of sub-section (1) of section 11;
 - (e) levy of fee and lay down such other requirements on fulfillment of which a copy of register may be obtained under clause (m) of sub-section (1) of section 11;
 - (f) levy of fees and other charges under clause (p) of sub-section (1) of section 11.

37 Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

38 The provisions of this Act shall be in addition to the provisions of the Indian Telegraph Act, 1885 and the Indian Wireless Telegraphy Act, 1933 and , in particular nothing in this Act shall affect any jurisdiction, powers and functions required to be exercised or performed by the Telegraph Authority in relation to any area falling within the jurisdiction of such Authority.

- 39 (1) If any difficulty arises in giving effect to the provisions of this Act, the Central government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty;
Provided that no order shall be made under this section after the expiry of two years from the date of commencement of this Act.
- (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

- 40 (1) The Telecom Regulatory Authority of India Ordinance 1997 is hereby repealed.
- (2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

(K. L. MOHANPURIA)
Secy. to the Govt. of India

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Annexure D

Offences by or Relating to Public Servants (Extracted from the Indian Penal Code)

Provisions of Sections

166. Public servant disobeying law, with intent to cause injury to any person

Whoever, being a public servant, knowingly disobeys any direction of the law as to the way in which he is to conduct himself as such public servant, intending to cause, or knowing it to be likely that he will, by such disobedience, cause injury to any person, shall be punished with simple imprisonment for a term which may extend to one year, or with fine, or with both.

167. Public servant framing an incorrect document with intent to cause injury

Whoever, being a public servant, and being, as such public servant, charged with the preparation or translation of any document, frames or translates that document in a manner which he knows or believes to be incorrect, intending thereby to cause or knowing it to be likely that he may thereby cause injury to any person, shall be punished with imprisonment of either description for a term which may extend to three years, or with fine, or with both.

168. Public servant unlawfully engaging in trade

Whoever, being a public servant, and being legally bound as such public servant not to engage in trade, engages in trade, shall be punished with simple imprisonment for a term which may extend to one year, or with fine, or with both.

169. Public servant unlawfully buying or bidding for property

Whoever, being a public servant, and being legally bound as such public servant, not to purchase or bid for certain property, purchases or bids for that property, either in his own name or in the name of another, or jointly, or in shares with others, shall be punished with simple imprisonment for a term which may extend to two years, or with fine, or with both; and the property, if purchased, shall be confiscated.

170. Personating a public servant

Whoever pretends to hold any particular office as public servant, knowing that he does not hold such office or falsely personates any other person holding such office, and in such assumed character does or attempts to do any act under color of such office, shall be punished with imprisonment of either description for a term which may extend to two years, or with fine, or with both.

217. Public servant disobeying direction of law with intent to save person from punishment or property from forfeiture

Whoever, being a public servant, knowingly disobeys any direction of the law as to the way in which he is to conduct himself as such public servant, intending thereby to save, or knowing it to be likely that he will thereby save, any person from legal punishment, or subject him to a less punishment than that to which he is liable, or with intent to save, or knowing that he is likely thereby to save, any property from forfeiture or any charge to which it is liable by law, shall be punished with imprisonment of either description for a term which may extend to two years, or with fine, or with both.

218. Public servant framing incorrect record or writing with intent to save person from punishment or property from forfeiture

Whoever, being a public servant, and being as such public servant, charged with the preparation of any record or other writing, frames that record or writing in a manner which he knows to be incorrect, with intent to cause, or knowing it to be likely that he will thereby cause, loss or injury to the public or to any person, or with intent thereby to save, or knowing it to be likely that he will thereby save, any person from legal punishment, or with intent to save, or knowing that he is likely thereby to save, any property from forfeiture or other charge to which it is liable by law, shall be punished with imprisonment of either description for a term which may extend to three years, or with fine, or with both.

219. Public servant in judicial proceeding corruptly making report, etc., contrary to law

Whoever, being a public servant, corruptly or maliciously makes or pronounces in any stage of a judicial proceeding, any report, order, verdict, or decision which he knows to be contrary to law, shall be punished with imprisonment of either description for a term which may extend to seven years, or with fine, or with both.

409. Criminal breach of trust by public servant, or by banker, merchant or agent

Whoever, being in any manner entrusted with property, or with any dominion over property in his capacity of a public servant or in the way of his business as a banker, merchant, factor, broker, attorney or agent, commits criminal breach of trust in respect of that property, shall be punished with 152[imprisonment for life], or with imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine.

420. Cheating and dishonestly inducing delivery of property

Whoever cheats and thereby dishonestly induces the person deceived to deliver any property to any person, or to make, alter or destroy the whole or any part of a valuable security, or anything which is signed or sealed, and which is capable of being converted into a valuable security, shall be punished with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine.

468. Forgery for purpose of cheating

Whoever commits forgery, intending that the document forged shall be used for the purpose of cheating, shall be punished with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine.

477. Fraudulent cancellation, destruction, etc., of will, authority to adopt, or valuable security

Whoever fraudulently or dishonestly, or with intent to cause damage or injury to the public or to any person, cancels, destroys or defaces, or attempts to cancel, destroy or deface, or secretes or attempts to secrete any document which is or purports to be a will, or an authority to adopt a son, or any valuable security, or commits mischief in respect of such documents, shall be punished with imprisonment for life, or with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine.

477A. Falsification of accounts

Whoever, being a clerk, officer or servant, or employed or acting in the capacity of a clerk, officer or servant, wilfully, and with intent to defraud, destroys, alters, mutilates or falsifies any book, paper, writing, valuable security or account which belongs to or is in the possession of his employer, or has been received by him for or on behalf of his employer, or wilfully, and with intent to defraud, makes or abets the making of any false entry in, or omits or alters or abets the omission or alteration of any material particular from or in, any such book, paper, writing, valuable security or account, shall be punished with imprisonment of either description for a term which may extend to seven years, or with fine, or with both.

Explanation: It shall be sufficient in any charge under this section to allege a general intent to defraud without naming any particular person intended to be defrauded or specifying any particular sum of money intended to be the subject of the fraud, or any particular day on which the offence was committed.

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The supreme quality for leadership is unquestionably integrity. Without it, no real success is possible, no matter whether it is on a section gang, a football field, in an army, or in an office.

-- Dwight D. Eisenhower (1890-1969)

CHAPTER 11

List of Circulars & Orders Referred to or Included in the Manual (Chapter-wise)

Ch.	Letter Number	Date	Subject
1	Telecommunications in India		
	No. Nil	1961.01.14	The Government of India (Allocation Of Business) Rules.
	Cabinet Secretariat No. 15/1/2/87-Cab.I	1989.04.11	Resolution on Constitution of Telecom Commission.
	DOT No. 808-26/2003-VAS	2003.11.11	Addendum to NTP-1999.
	DOT No. 813-07/03-LR	2004.	Broadband Policy -2004
	DOT No. 813-7/03-LR	2004.12.13	Amendment to Broadband Policy, 2004
2	The Accounts & Finance Wing in DOT		
	Department of Expenditure No. 10(29) –E.Coord/73	1975.10.06	Scheme of 'Integrated Financial Adviser'
	Department of Expenditure No. 5(6)/ L&C/ 2006	2006.06.01	Scheme of 'Integrated Financial Adviser'
	Ministry of Finance O.M. No. 5(6)/L&C/2006	2006.06.01	Charter (of duties) for IFAs from DFPRs.
	DOT No. 18-7/2007-O&M	2007.03.12	Representation of Nominees of Member (Finance) in Future Meetings – Instructions regarding
3	Accounts Branch		
	Accounting Orders & Circulars		
	DOT No. 7-1/2000-TA-I/9	2000.09.29	Accounting of Transactions of Wireless Monitoring Organisation in Department of Telecommunications
	DOT No. 7-1/2000-TA-I/23	2000.12.11	Accounting of Transactions of Wireless Monitoring Organisation in Department of Telecommunications
	DOT No. 6-1/2000-TA-I	2001.03.01	Accounting of Transactions of Telecom Disputes Settlement and Appellate Tribunal in Department of Telecommunications
	DOT No. 3-89/2000-TA-I	2003.01.20	Safeguard against Fraudulent Payments
	DOT No.5-3/2002-TA-1	2003.02.03	State of Work Report of DOT Units
	DOT No. 6-36/2005-TA-I	2005.12.29	Implementation of Scheme for Dematerialization of TDS Certificates in the Department of Telecom being Government deductor- Change in procedure relating to Deposit of Government TDS
	CGA, Min. of Finance No. S- 11012/ 3/ 2003-04/ Pt.III/ RBD/ 1452 (circulated vide DOT No. 6-23/ 2006/ TA-I dated 08.12.2006)	2006.11.22	Recovery of Interest from Banks on Delayed remittances of Government Receipts into Government Account and Excess/ Double Reimbursement Claims
	Pension-Related Orders & Circulars		
	DOT No. 36-15/2000-Pen(T)	2000.11.09	Entitlement for Pension, other Retirement Benefits, Job Security and Carry Over of Leave in respect of Employees to be Absorbed in BSNL
	DOT No. 40-13/2002/Pen (T)	2003.01.15	Payment of Pension/ Family pension to the Employees Absorbed from DoT/ DTS/ DTO in Bharat Sanchar Nigam Limited with effect from 1.10.2000 – reg
	DOT No. 6-138/90-TA-I/Vol. VI	2003.02.21	Authorisation of Pension Payment on IDA Payscale of BSNL
	DOT No. 7-1/2000-TA-I/21	2003.08.27	Verification of Qualifying Service
	Deptt. of Pension & Pensioners' Welfare OM No. 4/ 3/ 2003-P&PW (D); circulated vide DOT No. 38-19/2005-Pen(T)-1 dated 20.12.2005	2003.12.02	Implementation of order dated 12 th April, 2005 of the High Court of Judicature of Andhra Pradesh of Hyderabad in Review WWMP MP SR No.78433 of 2004 in WP No.8532 – regarding Restoration of One Third Portion of Commuted Pension after 15 years from the date of Commutation
	Department of Economic Affairs' Notification No. 5/7/2003-ECB & PR (circulated vide DOT No. 7-24/2004-TA-I dated 05.01.2005)	2003.12.23	Implementation of New Pension Scheme in the Department of Telecom (As enclosure to DOT letter of 05.01.2005)
	Deptt. of Health and Family Welfare OM No. S.14025/ 4/ 96-MS (circulated vide DOT No. 4-12 (2)/ 2004-PAT	2004.08.20	Clarification on the views of this Department on Recommendations of the 5 th Central Pay Commission on Extension of CS (MA) Rules to

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dated 05.10.2004)	Central Government Pensioners residing in areas not covered by CGHS
DOT No. 40-6/2004-Pen(T)	2004.12.31 Payment of Pension/ Family Pension to the Group 'B' employees absorbed from DOT/ DTS/ DTO in BSNL w.e.f. 1.10.2000 - clarification regarding
DOT No. 7-24/2004/TA-I	2005.01.05 Implementation of New Pension Scheme in the Department of Telecommunications
Deptt. of Pension & Pensioners' Welfare No. 38/ 86/ 03- P & PW(A) Circulated vide DoT No. 36-01/ 2005- Pen(T) dated March, 2005)	2005.02.08 Pay scales for the staff belonging to the Organized Accounts Department - Fixation of Pension – Regarding
DOT No. 7-24/2004/TA-I	2005.02.21 Implementation of New Pension Scheme in the Department of Telecom
DOT No. 36-18/2000-Pen. (T)	2005.05.04 Issue of Identity Card to Retired/ Retiring Employees
Deptt. of Pension & Pensioners' Welfare OM No. CPAO/Tech/ Amendments/ Sch. Book/ 2005-06/ 69	2005.06.09 Payment of Pension through Authorized Banks-Credit of Pension to Joint Bank Account operated by a Pensioner with his/ her Spouse
Deptt. of Pension & Pensioners' Welfare OM No. 45/1/2004-P&PW (G) (circulated vide DOT Circular No. 36-3/2004-Pen(T) – I dated 20.12.2005)	2005.10.26 Implementation of the Recommendation of the Vth CPC regarding Conversion of 50% Dearness Relief into Dearness Pension — clarification regarding
Deptt. of Pension & Pensioners' Welfare OM No. 4/ 66/ 2005-P&PW (circulated vide DOT circular No. 36-3/2004-Pen(T)-II dated 20.12.2005)	2005.12.09 Settlement of pensionary terms etc. in respect of Government Employees transferred en-masse to Central Public Sector Undertakings/ Central Autonomous Bodies
DOT No. 34-34/2004-Pen(T)	2005.12.13 Granting of BCR Grade IV Promotion to Retired Officials with Retrospective date - Reckoning of Notional Pay for Pensionary Benefit
DOT No. 38-36/ 2005-Pen(T)	2005.12.20 Merger of certain percentage of DA as DP for reckoning emoluments for the purpose of DCRG and raising the ceiling on the maximum amount of DCRG from Rs. 1.00 lakh to Rs. 2.50 lakhs - DP&PW OM No. No.7/ 1/ 1995-P&PW (F) dated 14.7.1995—Hon'ble Supreme Court Judgment dated 11.08.2005 in CA No.129 of 2003 (State of Punjab & Ors Vs. Amar Nath Goyal & Ors) and other connected cases – regarding
Deptt. of Pension & Pensioners' Welfare OM No. 41/ 13/ 2005-P&PW(G) (circulated vide DOT No. 36-3/2004-Pen (T) dated 20.02.2006)	2006.02.01 Merger of 50% Dearness Relief with pension to Central Government Pensioners/ Family pensioners w.e.f. 1.4.2004 — clarification regarding
DOT No. 5-18(4)/2004-PAT	2006.02.08 Clarification in respect of Membership Status of Group 'B' Officers in BSNL promoted to STS Group 'A' on Ad hoc Basis under CGEGIS – 1980
Deptt. of Pension & Pensioners' Welfare OM No. 4/ 14/ 2006-P&PW (D), circulated vide DOT No. 36-3/ 2004- Pen (T) dated 22.11.2006	2006.05.31 Use of State Emblem on the Identity Cards to be issued to Central Govt. pensioners – regarding
Deptt. of Pension & Pensioners' Welfare OM No. 34/ 3/ 2006-P&PW(G), circulated vide DOT No. 36-3/2004- Pen (T) dated 18.07.2006	2006.06.29 Commutation of Pension on Voluntary Retirement
DOT No. 40-23/2001-Pen(T)(Pt.I)	2006.07.25 Applicability of Rule 48(A) and Rule 48(B) of CCS (Pension) Rules, 1972, on seeking Voluntary Retirement from PSU after Absorption
DOT No. 7-1/2006/TA-I	2006.09.14 Payment of Leave Encashment
Deptt. of Pension & Pensioners' Welfare OM No. 38/ 58/ 06 -P&PW (A) (circulated vide DOT No. 36-3/ 2004- Pen(T) dated 30.10.2006)	2006.10.11 Applicability of CCS (Pension) Rules, 1972 in respect of those Appointed prior to 1.4.04 and put on Induction Training
DOT No. 27-2/2006-SNG (circulated vide DOT No.7-1/2000/ TA-1 KW-II/17 dated 28.12.2006)	2006.10.20 Counting of Past Services of the Temporary Status Mazdoors upon their Absorption in BSNL – regarding
DOT No. 6-37/ 2005/TA-I to CMD BSNL	2006.11.08 Refund of Savings Fund under CGEGIS '80 to the ex-DOT Employees Absorbed in BSNL
Deptt. of Pension & Pensioners' Welfare OM No. 38/64/05-P&PW(A), circulated vide DOT No. 6-3/2004- Pen(T) dated 05.12.2006	2006.11.09 Issue of a Show-cause Notice to the Pensioner before Imposing a Cut in his pension where the Pensioner is Convicted in Judicial Proceedings for an Offence Committed by Him while in Service
Deptt. of Pension & Pensioners' Welfare OM No. 45/ 86/ 97-P&PW (A)-Part-III (circulated vide DOT No. 36-3/ 2004-Pen(T) dated 18.01.2007)	2006.12.21 Implementation of Government's Decision on the Recommendations of the 5th Central Pay Commission Revision of Pension of pre and post 1986 Pensioners/ Family pensioners etc. Extension of Date of Submission of Application for Revision of Pension/ Family Pension
DOT No. 7-1/2000/TA-I/KW-1	2007.04.12 Processing and Finalization of Various Retirement Benefits of Absorbed BSNL Employees
Department of Pension & Pensioners' Welfare O.M. No. 4/79/2006-P&PW (D)	2007.09.06 Restoration of 1/3 rd Commuted Portion of Pension in respect of Government Servants who had drawn Lumpsum Payment on Absorption in Public Sector Undertakings/ Autonomous Bodies – Implementation of Andhra Pradesh High Court Judgment dated 24.12.2003 in Writ Petition No. 8532 of 2003 followed by the Supreme Court Judgment dated 29.11.2006 in Civil Appeal No. 5269 of 2006 arising out of SLP Nos. 21647-648 of 2005 and the Supreme Court Judgment dated 24.07.2007 in Review Petition No. 643 of 2007
Deptt. of Pension and Pensioners' Welfare O.M. No. 1/19/03-P&PW (E)	2007.09.06 Extension of Scope of Family Pension to Unmarried Daughters of Central Government Servants/ Pensioners
Circulars/ Orders on ATNs	
Department of Expenditure No. 5/1/2007-MC	2007.06.29 Furnishing of ATNs on various Reports of the C&AG for the year ended March 2006.

DOT No. 27-4/2004-AC (pt.) 2007.08.06 Furnishing of Action Taken Notes on various Reports of C&AG of India and submission of requisite number of copies of vetted ATNs in Hindi and English.

4 Finance & Establishment Branch

Circulars and Orders Pertaining to Finance

DOT No. 4-1/93-FC	1994.12.02 Delegation of financial powers
DOT No. 4-1/93-FC	1995.09.08 Delegation of financial powers
DOT No. 4-1/93-FC	1996.07.19 Delegation of financial powers
DOT No. 4-1/93-FC	1996.09.26 Delegation of financial powers
DOT No. 4-1/93-FC	1997.01.31 Delegation of financial powers
DOT No. 4-1/98-FC	1998.11.02 Delegation of financial powers
Department of Expenditure No. 8(4)-E-II(A)/98	1998.12.17 Purchase of computer systems by Government Departments.
DOT No. NIL	1999.09.22 Delegation of financial powers
DOT No. 4-1/99-FC	2000.04.24 Delegation of financial powers
Department of Expenditure No. 15(1)/ E.II(A)/ 02	2002.07.30 Amendment to General Financial Rules, 1963
Department of Expenditure No. 8/1/E-II-A/ 03 (enclosing Department of Expenditure OM No. 8(4) -E-II (A)/ 98 dated 17.12.1998)	2003.05.20 Purchase of IT Products by Government Departments
Department of Expenditure No. 8(8)/ E.II (A)/ 2003	2003.12.24 Amendment to General Financial Rules, 1963
Department of Expenditure No. 7(2)E-Coord./03	2004.03.25 Economy in Expenditure - Serving of Refreshments during Meetings etc.
Department of Expenditure No. 12(1)/ E.II (A)/ 2004	2004.10.08 Revision in Eligibility Limits and Quantum of Various Advances following Merger of Dearness Allowance (DA) with Basic Pay
Department of Expenditure No.1(11) E.II (A)/ 2003	2005.02.01 Exercise of Powers under Delegation of Financial Power Rules, 1978
Department of Expenditure No. 8/9/ E.II (A)/ 2003	2005.07.01 General Financial Rules, 2005
Department of Expenditure No. 1/ 12/ E.II (A)/ 94 (circulated vide DOT No. 7-7/2005.Fin dated 09.08.2005)	2005.07.29 General Financial Rules, 2005 - Purchase/Procurement of Goods for use by Govt. of India Offices thereunder
Department of Expenditure No. 7(2)/E-Coord/ 2005	2005.11.23 Budget/ Expenditure Management: Economy Measures, Rationalization of Expenditure, and Measures for augmentation of Revenues
DOT No. 7-5/2001-Fin.	2006.03.03 Delegation of Financial Powers
DOT No. 7-5/2001-F&A	2006.03.14 Rates of Honorarium for delivering Lectures
Department of Expenditure No. 8/ 4/ E.II (A)/ 05	2006.03.29 Amendment to General Financial Rules, 2005
Department of Expenditure No. 8(5)/E.II (A)/ 2006	2006.07.07 National e-Governance Plan (NeGP) – Implementation of e-Procurement in Ministries/Departments
Department of Expenditure F. No. 7(3)/ E. Coord./ 2006	2006.08.08 Expenditure Management – Ensuring Even Flow of Expenditure and Observance of Conditions for Release of Funds
DOT No. 6-1/2000-Fin. (enclosing Department of Expenditure No. 7(3) E-Coord./2006 dated 22.07.2006)	2006.09.21 Expenditure Management-Economy Measures, Rationalization of Expenditure and Measures for Augmentation of Revenues
Department of Expenditure No. 12(1)E-II (A)/04, circulated vide DOT No. 7/28(1)/2007-PAT dated 29.08.2007	2006.10.13 Grant of advances for purchase of Moped and Personal Computers– Revision in norms regarding.
DOT No. 21-1/ 2006-G-II (Pt)	2006.12.12 Serving of Refreshment during Meeting
Department. of Expenditure Secretary's D.O. No. 7(3)/ 2006/ E. Coord.	2006.12.21 Important initiatives taken for improvement in public expenditure management, etc.
DOT No. 7-5/2001-F&A(Pt.1)	2007.06.05 Grant of honorarium
DOT No. 7-5/2001-F&A	2007.06.18 Delegation of certain Financial Powers to the Officers of Telecom Directorate to exercise the same without consulting the Integrated Finance Advice Branch
Dept. of Exp. No. 7(2)/E-Coord/2007	2007.09.17 Expenditure management: Economy measures and rationalization of expenditure.
Circulars & Orders Concerning Staff & Estt.	
Department of Expenditure No. F. 14(14)-E(Coord)/77	1977.10.25 Transfer of Posts within an Organization - Application of Ban Orders
Department of Expenditure No. F.1(57)-E(Coord)/80	1980.11.20 Staff Inspection Unit - Implementation of Reports - Instructions – regarding. [Not printed]
Department of Expenditure No. 7(7)-E (Coord)/ 93	1993.05.03 -Economy in Administrative Expenditure of the Govt. -Ban on Creation of Posts/ Filling up of Vacancies -Guidelines for Processing of Cases
Department of Expenditure No. 7(2) E. Coord/ 95	1995.05.30 Procedure to be followed in regard to Creation/ Continuance of High Level Posts
DOPT OM No. 2/8/2001-PIC to all Ministries/ Departments of the Government of India and all Financial Advisers	2001.05.16 Optimisation of Direct Recruitment to Civilian Posts
Department of Expenditure No. 2(2)-E. Coord-I/ 2003	2003.10.30 Staff Inspection Unit - Implementation of Reports - Instructions regarding
DOPT OM No. 3/27/2002-PIC to all Ministries/	2004.06.08 Optimization of Direct Recruitment to Civilian Posts – Clarification

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Departments to the Government of India and all Financial Advisers (By name)	regarding
Department of Expenditure No. F .7 (1)/ E.Coord./ 2006	2006.02.24 Ban on Creation of Posts - Checklist for Processing Cases
DOT No. 03-02/2006-PHP (Circulated vide No. 33-4/2007-SEA-II dated 12.01.2007)	2006.08.08 Provision of Mobile Handsets against Mobile Service Connections sanctioned by DOT HQs – regarding
DOPT OM No. 3/27/2002-PIC to Deputy Secretary, Ministry of Labour & Employment	2006.08.28 Clarifications reg. filling up of direct recruitment posts.
DOT No. 3-02/2006-PHP	2006.10.12 Provision of Mobile Handsets against Mobile Service Connections sanctioned by DOT HQs – regarding
DOT No. 6-2/2007-Admn.I	2007.09.07 Request for Additional Staff in various Wings in DOT.
Dept. of Exp. No. 7(2)/E-Coord/2007 to all secretaries to Government of India	2007.09.17 Expenditure management: Economy measures and rationalization of expenditure. (Extract)

5 Licensing Finance Branch

DOT No. 10-3/2000- BS-II	2001.04.09 Letter to to BSNL regarding License Fee for Provision of Basic Telephone/ National Long Distance Service.
DOT No. 1-6/2001-LF to CCAs Delhi, Tamil Nadu, Kamataka, Kerala, Orissa, UP (East), Andhra Pradesh and Rajasthan	2002.10.08 Transfer of Work relating to Licensing Finance Functions in respect of Cellular and Basic Services to the Office of Controller Communication Accounts (O/o CCA) - Reg.
DOT No. 1-6/ 2004/ FBG/ (Enclosing 1. No. 842-47/2002- VAS (Part)/ 14/10 dated 27.1.2004 to all Cellular Mobile Licensees; 2. No. 842- 47/ 2002-VAS (Part)/14/ 20 dated 28.1.2004 sent to first and second operators)	2004.02.16 Maintenance of Financial Bank Guarantee - Amendment in the License Agreements for Cellular Mobile Telephone Service (CMTS) Licenses with respect to License Fee. [Amendment in the License Agreements for Cellular Mobile Telephone Service (CMTS) Licenses.]
DOT No.1-6 /2001-LF	2004.05.28 Transfer of Work relating to Licensing Finance Functions in respect of NEW UASL to the Office of Controller of Communication Accounts (O/o CCA) and a Review of earlier Instructions – Reg
DOT No. 17-20/ 2003/ BSNL/ LF (Enclosing Secretary DOT D.O. No.17-20/ 2003 -LF (BSNL) (Pt.I) dated 29.12.2004) to CMD BSNL	2005.01.10 License Fee of BSNL – regarding
DOT No.15-7/2003/ LF(pt)/ Kw	2005.08.09 Verification of Operator-wise pass-through charges claimed by a Licensee as deduction from its Gross Revenue
DOT No. 1-6/2001-LF (Vol.II)	2005.11.21 Instructions regarding Collection and Accounting of License Fee
DOT No. 1-27/2005-LF to all Telecom Service Providers of Basic/ UASL/ CMTS/ NLD/ ILD/ PMRTS/ IP-II and Commercial VSAT services	2006.01.05 Payment of License Fee for the 3 rd Quarter of 2005-06- regarding
DOT No. 15-7/02-LF (BG)/Pt. Vol.III	2006.01.12 Verification of Bank Guarantees for Genuineness
DOT No. 6-42/2005/TA-I	2006.02.14 Schedule of Payment of License Fees/ Spectrum Charges by Telecom Operators (Remittances to RBI/ SBI by CCAs/ PAO(HQ)
DOT No. 15-10/2006/LF	2006.03.20 System for Receipt of License Fee and Spectrum Charges in the Department of Telecom Headquarters and the Controller of Communication Accounts Offices
DOT No. 1-27/2006-LF to all Telecom Service Providers	2006.05.30 Clarification regarding Payment of License Fee
DOT No. 1-28/2006/LF to all the UAS/ Basic/ CMTS Service Providers (Circulated as an enclosure to DOT No. 1-28/2006-LF dated 21.09.2006)	2006.09.20 Verification of PSTN Related Call Charges (Access Charges) and Roaming Revenue paid to other Telecom Service Providers, Service/ Sales Tax paid to the Government and claimed as Deductions
DOT No. 1-28/2006-LF	2006.09.21 Verification of Deductions claimed from the Gross Revenue by the Telecom Service Licensees on Quarterly Basis
DOT No. 1-27/2005/LF to all Telecom Operators	2007.04.30 Submission of Documents for Annual Assessment of License Fee for the Financial Year 2006-07 in respect of CMTS/ UASL/ NLD/ ILD Licenses held by you
DOT No. 20-73/2006-AS-I to BSNL, MTNL, all UASL & CMTS Licensees	2007.07.04 Harmonisation of different Nomenclatures for same Service Areas
DOT No. 1-28/ 2006/ LF	2007.07.05 Verification of Deductions claimed by the Licensees through Quarterly Statement of Revenue & License Fee – Clarifications thereof
DOT No. 16-7/2007-BS-I	2007.07.09 Minutes of the Meeting regarding “No dues” Process and “Extension of LOI” in the Matter of Grant of License to Applicant Company

6 Wireless Finance Branch**Circulars & Decisions on Spectrum Charges**

WPC No. R-11014/4/87-LR	1987.12.09 Payment of license fee for the grant of Wireless Telegraph Station Licence, fees for issuance of duplicate copy and surcharge for late renewal of licence etc.
WPC No. R-11014/4/87-LR	1987.12.09 Royalty charges for grant of license to Establish, Maintain and Work Fixed/ Land/Land Mobile stations under the provisions of the Indian Telegraph Act, 1885.
WPC Order No. R-11014/4/87-LR(Pt.)	1995.07.20 License Fee for the grant of license to establish maintain and work GSM Cellular Mobile Telephone Service, Microwave point-to-point and point-to-multi point networks under the provisions of the Indian Telegraph Act 1885

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WPC Order No. R-11014/4/87-LR(Pt.)	1995.07.20	Royalty charges for the grant of license to establish maintain and work GSM Cellular Mobile Telephone Service, Microwave point to point and point to multi-point network under the provisions of the Indian Telegraph Act, 1885
WPC Corrigendum No. R-11014/ 4/ 89-LR (pt.)	1997.11.04	Royalty charges for grant of licence to establish, maintain and work, GSM Cellular Mobile Telephone Service, Microwave point-to-point and point to Multi Point Networks under the provisions of Indian Telegraph Act, 1885.
WPC No. J-190161/1/98-SAT	1998.09.14	Royalty charges for the grant of license to establish, maintain and work satellite television broadcasting facility license under Indian Telegraph Act 1885
WPC Corrigendum No. R-11014/ 4/ 87-LR (pt.)	1999.03.19	Royalty charges for grant of licence to establish, maintain and work, GSM Cellular Mobile Telephone Service, Microwave point-to-point and point to Multi Point Networks under the provisions of Indian Telegraph Act, 1885.
WPC D.O. No. L-14041/09/99-NTG from JWA to Bharti Mobile Telecom, etc.	2000.07.10	
WPC Corrigendum No. 14031/ 07/ 2000-NTG (pt.)	2000.09.14	To remove WPC charges of Rs.100/- subscriber/annum with regard to Radio Paging Services.
WPC Order No. L-14027/01/98-NTG	2000.09.18	Royalty and licence fee charges for the grant of licence to establish, maintain and work Public Mobile Radio Trunked Service (PMRTS) Stations under the provisions of the Indian Telegraph Act, 1885.
O.M No. 34-31/2000-SEA addressed to IFAs etc.	2001.01.30	Functions of DOT Cells
WPC No. L-14041/06/2000-NTG	2001.09.22	Royalty and License fee charges towards WPC spectrum usage by Cellular Mobile Telephone Service providers
WPC No. L-14041/06/2000-NTG	2002.02.01	Allocation of additional Cellular Radio Frequency spectrum to the Cellular Mobile Telephone Service (CMTS) Providers.
WPC No. L-14047/07/2002-NTG	2002.03.26	Payment of WPC spectrum charges by Cellular Mobile Telecom Service Providers (CMTS)
WPC No. L 4025/01/2001-NT	2002.04.03	Payment of WPC spectrum charges by Basic Telephone Service Providers
WPC Letter No. L-14047/01/2002-NTG	2002.04.18	Spectrum charges for MW access and backbone networks of cellular networks
WPC No. R-11014/26/2002-LR	2003.04.01	Royalty charges for the grant of license to establish, maintain and work Terrestrial Microwave Point-to-point and point-to-multi-point networks under the provisions of the Indian Telegraph Act, 1885.
WPC Order No. R-11014/9/2001-LR	2003.04.16	WPC Spectrum charges (Royalty and License Fee) for Commercial/ Captive VSAT Networks - Changeover to Revenue share.
DOT No. R-11014/26/2002-LR	2003.05.06	Royalty Charges for the Grant of License to Establish, Maintain and Work Fixed/ Land/ Land Mobile (Wireless) Station under the Provisions of the Indian Telegraph Act, 1885
DOT No. K-16011/6/2002-CFA	2003.05.28	Earnest money towards filing of siting application for fixed stations.
WPC Order Number NIL	2003.07.07	Payment of charges by Bank Drafts.
DOT No. 20-232/2004-BS-III	2004.02.21	Guidelines for merger of licenses in a Service Area.
DOT No. 20-232/2004-BS-III	2004.03.17	Guidelines for merger of Licenses in a Service Area; Clarification regarding effective date.
WPC No. L-14047/06/2004-NTG	2004.04.15	Charges for spectrum beyond 10 MHz for mobile services
WPC No. J-14025/200(3) /04-NT	2004.04.21	Spectrum charges for CDMA and CorDECT based networks
U.O Note No. J-14025/200(11)/2004-NT from AWA, WPC, to DDG (BS)	2004.08.25	Charging of License fee
DOT No. WFD-1000/ spectrum.ch./ Bharti/ 2004	2005.03.18	Extract of Note 23/N from File; Spectrum charging on account of MW access and MW backbone usages by service providers.
DOT No. R-11014/29/2004-LR/2447	2005.03.23	Payment of License Fee for the Grant of Wireless Telegraph Station License, Fees for Surcharge for Late Renewal of Licenses etc.
DOT No. 1000-58/2005-06 WPF	2005.09.21	Extract of Notes dated 13-21 Sept. 2005 from WFD File; calculation of CDMA -AGR for the purpose of calculation of the spectrum charges
DOT No. 15-10/2006/LF	2006.03.20	System for receipt of License Fee and Spectrum Charges in the Department of Telecom Head Quarters and the Controller of Communication Accounts Offices.
DOT No. L-14047/ 06/ 2006-NTG	2006.03.28	Extract from N/3 of file regarding imposition of interest and penalty.
DOT No. 1-27/2006-LR	2006.05.30	Clarification regarding payment of licence fee.
WPC file No. L-14047/ 28/ 2004-NTG (Pt.)	2006.06.07	Extract of note; Rates of interest for delayed payments of spectrum charges by M/s Bharti Enterprises.
WPC No. R-11014/01/2004-LR	2006.09.26	Payments of royalty and licence fee for using radio frequency spectrum.
WPC No. J-14025/200(11)/06-NT	2006.11.03	Spectrum charges for Microwave (MW) Access and MW Backbone Networks of GSM and CDMA based telecom service providers.
DOT No. 1000-10/04-5/WFD	2007.05.07	Extract of notes from WF Division's file
DOT No. K-19017/9/2007-CFA	2007.06.01	Application Registration Fee for SACFA Siting Cases
Orders by or for Wireless Finance Branch		
DOT No. WFD/1018/2004	2004.02.06	Transfer of work relating to collection of Spectrum Charges in respect of Cellular operators to the office of Controller Communication Accounts

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DOT No. 1012/9/WFD/2004-05	(O/o CCA)- Reg. 2005.01.10 Report(s) required to be submitted to DOT (HQ) with respect to payment of spectrum charges
DOT No. WFD/1018/2004	2005.03.01 Transfer of work of collection of Spectrum Charges in respect of UASL Licensees using CDMA spectrum to the Office of the Controller Communication Accounts (O/o CCA) – Reg.
DOT No. 1/ Misc./ M(F)/ 05 (Member (F) D.O.)	2005.03.17 Introduction of bimonthly reports at HQ.
DOT No. DOT/1018/2004	2005.05.04 Transfer of work of collection of Spectrum Charges from MTNL & BSNL in respect of GSM & CDMA Spectrum
WPC Memo No. L-14038/12/05-LR	2005.06.17 Transfer of work from WPC to WF Division reg. payment of spectrum charges for Commercial VSAT Networks.
DOT No. 1002-1/2005-WFD	2005.09.29 Opening of new head of account under sub-heads/ detailed heads in respect of booking of revenue receipts on account of spectrum and related dues
DOT No. 1019/WFD/2005-06	2006.03.10 Revised collection Register for CDMA
DOT No. WFD/1018/2004 to M/s Tata Teleservices/ Hutchison Essar South/ Dishnet DSL/ Bharti Airtel/ Reliance Telecom/ Reliance Infocom Ltd. of Basic, Cellular and UASL Services	2006.10.16 Re-organisation of work of collection of spectrum charges in respect
DOT No. WFD/1012/ 9/ WFD/2004-05	2006.10.17 Maintenance of various records relating to spectrum charges at CCA end; consolidated order.
DOT No. 1003/1/06-07/WFD	2007.08.03 Payment of spectrum charges by BSNL in r/o CDMA, GSM and MW frequencies used for its basic and cellular licenses.

Monitoring of Expenditure of WPC and WMO

DOT I.D. No. 1002/2/2004-WFD	2004.01.14 Control over Budgeted expenditure of WMO.
WPF I.D. No.1008/1/2006-WPF	2006.02.14 Monthly Statement of Expenditure.

Some Sample WPC Orders

WPC No. L-14042/32/2004-NTG	2006.07.13 Earmarking of Frequency spots of MW Access Network for CMTS in Delhi Metro Service Area.
WPC No. 14048/02/2006-NTG	2006.08.28 Earmarking of Frequencies for MW Access Network for Andhra Pradesh telecom Service Area.
No. P-44044/ASMS/2006-PIU	2006.12.29 Notice to All Wireless Users
Notification No. R-11014/ 23/2004-LR	2007.01.10 Use of low power wireless equipment in 865-867 MHz for RFID (Exemption from licensing requirement) Amendment Rules, 2006
Notification No. R-11014/ 31/ 2004-LR	2007.01.10 Use of low power wireless equipment in 335 MHz for remote control of cranes. (Exemption from licensing requirement) Amendment Rules, 2006
Notification No. R-11014/ 31/ 2004-LR	2007.01.10 Outdoor use of wireless equipment (Exemption from licensing requirement) Amendment Rules, 2006
Notification No. R-11014/ 31/2004-LR	2007.01.10 Use of low power wireless equipment in the citizen band 26.957-27.283 MHz (Exemption from licensing requirement) Amendment Rules, 2006
WPC Notice No. L-14024/16/2006-LR	2007.01.18 Decentralization of issue of certain categories of license issued under Indian Telegraph Act, 1885 and Indian Wireless Telegraphy Act, 1933.
Notification No. R-11014/31/2004-LR	2007.01.19 Use of low power wireless equipment in the frequency band 5 GHz (Exemption from licensing requirement) Amendment Rules, 2006
DOT Circular No. nil	2007.03.05 Issue of Wireless Operating License- GSM Service Providers.
WPC No. L-14047/07/2007-NTG to BSNL	2007.07.06 Field Trials of EMI/EMC/in 1800 MHz GSM Band in various Telecom Service Areas-Regarding.
WPC No. L-14047/07/2007-NTG to MTNL	2007.07.06 Field Trials of EMI/EMC/in 1800 MHz GSM Band in various Telecom Service Areas-Regarding.

7 Universal Service Obligation Fund

DOT No. 20-2/2002-RD/USO from Jt. DDG (GP), BSNL to Jt. Administrator (Tech.) USO, DOT DOT No. 30-101/20 to M/s Tata Teleservices (Maharashtra)	2003.02.18 Discrepancies in SSA Data
DOT No. 30-101/2002-USF(Vol.IV) to BSNL	2003.07.03 Modification in the Attachments to the Annexure II of the Agreement No. 30-101/2002-USF dated 31/03/2003 for subsidy disbursement for Operation and Maintenance of existing VPTs under Universal Service Obligation for Maharashtra Service Area.
DOT No. 30-109/2003-USF to Bharti Telenet Ltd.	2003.07.10 Financial Conditions (Part-IV) of the Agreement No.30-101/ 2002-USF dated 28.3.2003 for Subsidy Disbursement for Operation and Maintenance of existing VPTs under under Universal Service Obligation for Maharashtra Service Area – inclusion of name of Aurangabad SSA at Sl. No.4 in condition 17.1
DOT No. 30-15/2002-USF to the Controller of Communication Accounts Andaman & Nicobar, Andhra	2003.08.28 Representative Rate for Subsidy support towards Operation and Maintenance of VPTs in Madhya Pradesh Service Area provided as obligation in terms of Basic Service License Agreement No.17-12/ 95-BS-II/ Madhya Pradesh dated 28.12.1997
	2003.09.12 Transfer of Work relating to Disbursement of Subsidy towards Universal Service Obligation and Monitoring of Information furnished in

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Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, North East, Orissa, Punjab, Rajasthan, Tamil Nadu, UP (East), UP (West), West Bengal	the Claim
DOT No. 30-109/2003-USF to Bharti Telenet Ltd.	2003.11.11 Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Madhya Pradesh Service Area provided as obligation in terms of Basic Service License Agreement No.17-12/95-BS-II/Madhya Pradesh dated 28.12.1997 (Order No.2 of FY 2003-04)
DOT No. 30-14/2002-USF to BSNL	2003.11.21 Outer Limit for Submission of Quarterly Subsidy Claims
DOT No. 30-111/2003-USF to BSNL	2003.11.24 Representative Rate for Subsidy support towards Operation and Maintenance of VPTs in Maharashtra Service Area provided in terms of obligation under Basic Service License Agreement No.17-II/95-BS-II/Maharashtra Dated 30.09.1997
DOT No. 30-107/2002-USF(Vol.IV) to BSNL	2003.11.25 Modification of Condition No. 18.6, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement for Replacement of MARR VPTs
DOT No.30-101/2002-USF(Vol.IV) to BSNL	2003.11.27 Clarification of Condition No. 18.5, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement for Maintenance and Operations of VPTs
DOT No. 1-1//2003-USF to BSNL	2003.12.08 Treatment of VPTs in the Subsidy Claims which do not Register Incremental Meter Reading
DOT No. 30-111/2003-USF to M/s Tata Teleservices (Maharashtra) Ltd.	2003.12.30 Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Maharashtra Service Area provided in terms of obligation under Basic Service License Agreement No. 17-11/95-BS-II/ Maharashtra dated 30.09.1997
DOT No. 30-15/2002-USF(Vol. II)	2004.02.05 Transfer of Work relating to Disbursement of Subsidy towards Universal Service Obligation and Monitoring of Information furnished in the Claims
DOT No. 30-111/2003-USF to M/s Tata Teleservices (Maharashtra) Ltd.	2004.03.12 Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Maharashtra Service Area provided in terms of Obligation under Basic Service License Agreement No.17-11/95-BS-II/Maharashtra Dated 30.09.1997
DOT No. 30-15/2002-USF Vol II)	2004.04.22 Clarification on various issues raised by CCA/ Jt. CCA Units on Universal Subsidy Claims
DOT No. 30-15/2004-USF(Vol-III)	2004.07.08 Settlement of Claims for Operation and Maintenance of VPTs including Replacement of MARR
DOT No. 30-107/2002-USF to BSNL	2004.09.10 Additional Condition No. 18.6.1 Section VI Financial Condition and attachment 1/3 of Annexure II, and Annexure II of the Agreements for replacement of MARR VPTs -30-107/2002-USF dated 25.9.2003 & dated 19.3.2004
DOT No. 30-101/2002-USF to M/s Reliance Infocomm Ltd.	2004.09.14 Additional Condition No. 18.5.1 Part IV, Financial Condition of the Agreement for Subsidy Disbursement for Operation and Maintenance of VPTs
DOT No. 30-101/2004-USF to BSNL	2004.09.24 Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Assam Service Area
DOT No. 30-101/2004-USF to BSNL	2004.09.24 Representative Rate for Subsidy Support towards Operation and Maintenance of VPTs in Karnataka Service Area
DOT No. 30-107/2002-USF to BSNL	2004.10.21 Extension of Time Limit for Replacement of MARR VPTs
DOT No. 30-15/2004-USOF Vol.III to the Sr. CCA/ CCA/ Jt. CCA, Andhra Pradesh, Bihar, Chattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, UP (East), West Bengal	2004.12.16 Complete verification of VPT data with the billing record reg.
DOT No. 30-15/2004-USOF Vol. III to Sr. CCA/ CCA/ Jt. CCA	2004.12.24 Reporting and Monitoring System for Activities under Universal Service Obligation
DOT No. 30-116/2004-USO to BSNL	2005.01.04 Subsidy Claim for MARR VPTs in Haryana Service Area
DOT No. 30-116/2004-USO to BSNL	2005.01.24 Financial Conditions (Part-IV) of the Agreement No. 30-107/2002-USF dated 19.3.2004 for Subsidy Disbursement towards replacement of MARR VPTs (Replaced between 1.4.2002 and 30.6.2003) under Universal Service Obligation for Gujarat Service Area – inclusion of VPTs in various SSAs in condition 17.1
DOT No. 30-15/2004-USF (Vol-III) to the Sr CCA/ Jt CCAs Assam, Bihar, Chattisgarh, Delhi, Jharkhand, Jammu and Kashmir, Madhya Pradesh, North East II, Punjab, UP(W), Uttaranchal, West Bengal	2005.03.31 Reallocation of Work of Verification of Data related to Universal Subsidy Claims for Various Activities being Settled by CCA/ Jt CCA reg.
DOT No. 30-14/2004-USOF	2005.05.24 Explanation to the Claim Statement in the Agreement for Rural Household DELs installed from 1.4.2002 to 31.3.2005 and 1.4.2005 to 31.3.2007
DOT No. 30-15/2004-USF(Vol-III) to the Sr. CCA/ CCAs/ Jt. CCAs Andhra Pradesh, Bihar, Chattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, UP (East), West Bengal	2005.05.25 Disbursement of Subsidy from USO Fund regarding
DOT No. 30-14/2004-USOF to M/s BSNL, M/s Reliance Infocomm Ltd., M/s Tata Teleservices Ltd., M/s	2005.08.10 Explanation to the Claim Statement in the Agreement for Rural Household DELs installed from 1.4.2002 to 31.3.2005 and 1.4.2005 to

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Tata Teleservices (Maharashtra) Ltd. DOT No. 30-133/2006-USF (Vol. V) to BSNL	31.3.2007 – Modification to the Last Clarification 2006.06.07 Modification of Condition No.17.1, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement towards Provision of RCPs (30-133/2004-USF dated 30-09-2004) for UP(W) and UP(E) Service Area
DOT No. 1-4/2006-USF to all CCAs/ Jt. CCAs	2007.01.05 Non-availability of Interconnection – Settlement of Subsidy Claims reg
DOT No. 30-15/2004/USOF/ (Vol.-III) to the Sr. CCA Delhi	2007.02.10 Settlement of Claims, Clarification – regarding
DOT No. 1-4/2005-USOF/ RDEL (RIL)/ D- 139-176 to all CCAs/ Jt. CCAs	2007.02.20 Clarification with respect to Applicability of Standard Tariff Package
DOT No. 30-12/2004-USOF/UP(E)/D-114-138 to CCA UP (East)	2007.02.20 Various Issues about Subsidy Disbursement in respect of RCPs and RDELs – Issue of Clarification – reg.
DOT No. 1-4/2006-USF/RDEL/11 to all USPs	2007.02.23 Modification in Attachment 2/2 to Annexure-1 for RDEL Subsidy Claim
DOT No. 1-4/2006-USF/RDEL/12 to all USPs	2007.03.12 Modification in Attachment 2/2 to Annexure-1 for RDEL Subsidy Claim
DOT No.1-4/2006-USOF/RDEL(pt.)	2007.03.21 Clarification regarding RDELs Claims
DOT No. 30-12/2006-USF to all CCAs/ Jt. CCAs	2007.03.29 Guidelines for the Preparation of Inspection Reports
DOT No. 30-15/2007-USOF/(Vol.-III) to all Sr. CCAs/ CCAs/ Jt. CCAs	2007.04.25 RDELs Installed during the Q.E. March 2007 under Agreement dated 03.2005
DOT No. 30-15/2007-USO-F to M/s BSNL, M/s Reliance Infocomm Ltd., M/s Tata Teleservices Ltd., M/s Tata Teleservices (Maharashtra) Ltd.	2007.04.26 RDELs Installed during the Quarter Ending March 2007 under Agreement dated 03.2005 – regarding
DOT No. 30-15/2004-USF/ (Vol.-III)Pt. to all Sr. CCAs/ CCAs/ Jt. CCAs	2007.05.28 Levy and Recovery of Liquidated Damage Charges from the Universal Service Providers
OT No. 1-1/2007/VPTs/USO (pt)	2007.06.22 Detailed Analysis of functioning of VPTs
DOT No. 30-12/USOF (IR) to all CCAs (<i>Enclosure No. CCA/KRL/5-39/ 2006 -07</i> dated 12.06.2007	2007.06.25 Field Inspection Report in respect of RDELs; Field Inspection Report for Provision and Maintenance of RDELs provided by M/s Reliance in selected SDCAs of Kerala Service Area during the period 1.4.2002 to 31.3.05
DOT No. 1-4/2006-USO(F)/RDEL(Pt) to the Jt. CCA Haryana	2007.07.02 Adjustment of Amount Recoverable in respect of RCP Claims
No. 30-130/2007-USF (Vol. VII) to BSNL	2007.07.04 Modification of Condition No. 17.1, Part IV, Financial Conditions of the Agreement for Subsidy Disbursement towards Provision of VPTs (30-130/2004-USF dated 10.11.2004) for Orissa Service Area
DOT No. 30-15/ 2007/ USOF (VOL.-III) to all Sr. CCAs / CCAs/ Jt. CCAs (<i>Enclosure DOT No.1-4/2006-USOF dated 25.05.2007</i> to the CCA Rajasthan)	2007.07.21 Verification of RDELs Installed during the Q.E. March 2007 under Agreement Dated 03/2005; Clarification regarding Subsidy Claims of M/s Tata Teleservices Limited for the RDELs Installed in Q.4 of 2005-06 and made Functional in Q.1 of 2006-07
DOT No. 30-15/2007/ USOF (Vol.-III) to BSNL, TATA Teleservices Ltd., Reliance Communications Ltd., TATA Teleservices Maharashtra and copy to all Sr. CCAs/ CCAs/ Jt. CCAs	2007.07.24 Submission of Additional Data relating to RDELs Claim for Q.E. 31/03/2007
DOT Number 30-10/2002-USOF to all Principal CCAs/ CCAs/ JCCAs.	2007.07.25 Referred to in letter of even no. dated 30.08.2007, but not printed here.
DOT No. 1-11/2007-USOF to all Pr.CCAs/ CCAs/ Jt. CCAs.	2007.08.07 Collection & Maintenance of Database on Rural Telecom Operations by CCA Offices - a proposal
DOT Number 1-1/2007-USO(F) to BSNL, TTSL, RCL, TTSL Maharashtra.	2007.08.07 Settlement of pending subsidy claims.
DOT Number 30-39/2006 USF (Pt) to all Infrastructure Providers/ USPs.	2007.08.20 Scheme for subsidy support from USO Fund for provision of mobile services in rural and remote areas.
DOT Number 30-39/2006 USF (Pt) to all CCAs.	2007.08.24 Scheme for subsidy support from USO Fund for provision of mobile services in rural and remote areas.
DOT Number 30-10/2002-USOF to all Principal CCAs/ CCAs/ JCCAs.	2007.08.30 Purchase of digital cameras by CCAs.
DOT Number 30-15/2007-USF(Vol.III)/ 701-723 to all Principal CCAs/ CCAs/ JCCAs.	2007.08.31 Verification of RDEL claimed under Agreement Number 30-140/2004-USF dated 15.3.05.
DOT No. 30-12/2006/KTK/USOF/988-1010	2007.09.07 Report of Karnataka CCA
DOT No. 30-3/2006/ USF (Pt)	2007.09.11 Augmentation of Number of Officers and Staff for USO Related Work at the CCA Offices
DOT No.1-7/2007/ USOF-Auditor's Reports/1037 to 1061	2007.09.11 Submission of Auditors' Reports for the Year 2006-07 reg.
DOT No.1-1/2007/ USOF	2007.09.12 Submission of Closed, DNP, NIMR, VPTs List from Billing Record Along with VPT Claim Submitted by BSNL
DOT No. 1-7/2007/USOF-Auditor's Reports/1037 to 1061	2007.09.14 Submission of Auditor's Reports for the year 2006-07; Reg.

8 Telecom Public (Sector) Finance Branch**Circulars Relating to Telecom Revenue & Tariff**

DOT No. 13-Arb/Genl/93-TR	1994.03.31 Appointment of Arbitrators under Section 7B of I.T. Act 1885 in respect of alleged Excess Metering Complaints
DOT No. 2-5/2003-TR	2005.01.31 Regarding Appointment of two full time Arbitrators

Legal Opinions in TR Cases

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DOT File No. 13-Misc/Arb/2000-TR-DOT	2001.06.20	Legal Advice dated 20.06.2001 regarding if Customer Dies within the Pendency
DOT File No. 13-Misc/Arb/2000-TR	2001.07.10	Legal Advice dated 10.7.2001 regarding proceedings between the Legal Heir of ex-subscriber and Telegraph Authority
DOT File No. 13-Misc/Arb/2000-TR	2002.06.14	Legal Advice dated 14.6.2002 regarding Recovery of Old Outstanding Revenue Dues from Defaulting Telephone Subscribers
DOT File No. 13-Misc/Arb/2000-TR	2003.05.21	Legal Advice dated 21.05.2003 regarding Legal Heir can be made a Party
DOT File No. 13-9/18-19/Arb/2000-TR(18)	2003.09.11	Legal Advice dated 11.09.2003 regarding 'Can Appointment of an Arbitrator be challenged?'
DOT File No. 13-25/1/Arb/TR/2004	2004.07.22	Legal Advice dated 22.7.2004 regarding Challenge of Award before the High Court
DOT Dy. No. 331/LA/ 2004	2004.08.23	Legal Advice dated 23.08.2004 regarding Change of Arbitrator
DOT Dy. No. 462/LA/2004 in File No. 13-24/ 27/ Arb/ 2004 –TR	2004.12.01	Legal Advice dated 01.12.04 regarding Appointment of Arbitrator when Subscriber's whereabouts are not known
DOT File No. 13-Misc/Arb/2000-TR	2005.05.17	Legal Advice dated 17.5.2005 regarding Arbitrators has to take Decisions on his own
DOT File No. 13-9/32-34/Arb/2000	2005.06.17	Legal Advice dated 17/06/05 regarding time Limit for Completion of Arbitration Proceedings
DOT File No. 13-Misc/Arb/2000-TR	2005.06.21	Legal Advice dated 21.06.2005 regarding Appointment of Arbitrator when Subscriber is Missing
DOT File No. 13-15/13/Arb/2004/TR	2005.06.22	Legal Advice dated 22.06.05 regarding Challenge of Award
DOT File No. 13-5/10/Arb/2003-TR	2005.06.24	Legal Advice dated 24.06.05 regarding Challenge of Award

Circulars and Orders Relating to Budget

Department of Economic Affairs F.No. 7/ 13/ 2001- NS(1)	2001.04.24	Lump-sum Provision for North Eastern Region & Sikkim
Department of Expenditure Secretary's D.O. No. 2 (66) –B (CDN)/ 2001 addressed to all the Secretaries to the Government of India	2001.06.12	Difficulties in re-appropriation of funds from the lump-sum provision for schemes for the benefit of North-Eastern Region and Sikkim to relevant functional heads.
Department of Economic Affairs No. F.7 (6) –B (R)/ 2001	2001.07.20	Sixteenth Report of the Public Accounts Committee (13 th Lok Sabha) Union Government Appropriation Accounts (Civil) — 1996-97 — Measures for minimizing "unspent balances"
Department of Economic Affairs No. 2 (66) -B (CDN) 2001 (Vol. II)	2002.09.13	Budgeting for/ Expenditure from Lumpsum Provision for North Eastern Region & Sikkim
Department of Economic Affairs F. No. 15(4)-B(D)/2003	2003.07.09	Opening of Detailed Head "Information Technology" under Six Level Heads Classification in Detailed Demands for Grants of the Ministries/ Departments
Department of Economic Affairs No. F. 12(20)-B (SD)/ 2002	2003.10.16	Government Guarantees – Preparation of Database
Department of Economic Affairs F. No. 7 (5)/ E-Coord./ 2004	2004.09.24	Guidelines on Expenditure Management – Fiscal Prudence and Austerity
Department of Economic Affairs, Joint Secretary (Budget), D.O. F. No. 2 (43)-B (CDN)/ 2004 addressed to Financial Advisers of all Ministries/ Departments	2005.01.21	'Direct transfers of Central Assistance to States/District level Autonomous Bodies
Department of Economic Affairs F. No. F7 (3) –B (D)/ 2003	2005.04.26	Preparation of Asset Register, as required under the Fiscal Responsibility and Budget Management Rules, 2004
Department of Expenditure OM No. 50 (6)/ PF-II/ 2005 (circulated vide DOT No.7-5/2005-Fin. dated 09.06.2005)	2005.05.13	PIB/ EFC Guidelines incorporating clear identification of Outcomes at the stage of approval, to be made applicable to New State Plan Schemes; Guidelines for Formulation, Appraisal and Approval of Government funded Plan Schemes/ Projects; Expenditure Finance Committee – Fresh appraisal by SFC/EFC for continuation of on-going Schemes from 9th Plan to 10th Plan; Expenditure Finance Committee - Fresh Appraisal by SFC/ EFC for continuation of on-going Schemes from 9th Plan to 10th Plan;
<i>Enclosures:</i> Department of Expenditure No. 1(2)-PF.II/03 dated 07.05.2003; Department of Expenditure No. 1(3)/ PF.II/ 2001 dated 10.05.2002; Department of Expenditure No. 1(3)/ PF.II/ 2001 dated 10.07.2002; Department of Expenditure No. 1 (3)/ PF.II/ 2001 dated 18.02.2002; Department of Expenditure No. 1 (3)/ PF.II/ 2001 dated 13.05.2002; Department of Expenditure No. 1 (3)/ PF.II/ 2001 dated 08.10.2002; Planning Commission's D.O. No. O- 14015/ 2/ 98- PAMD dated 19.08.1998		Public Investment/ Expenditure - Guidelines for Appraisal and Approval; Public Investment/ Expenditure- Guidelines for Appraisal and Approval - RCE cases of Navratna/ Miniratna Cos.
Department of Economic Affairs No. F. 2(66) -B (CDN) 2001	2005.09.14	Procedure for providing Funds for Development of North Eastern Region and Sikkim under 'Plan' Expenditure in Statement of Budget Estimates and Detailed Demands for Grants
Department of Economic Affairs F. No. 21(1)-PD/2005	2006.01.10	Modified Cash Management System
Department of Economic Affairs No. F.1(23)- B(AC)/2005	2006.05.25	Revised Guidelines on Financial Limits to be observed in determining cases relating to 'New Service'/ 'New Instrument of Service'
Department of Economic Affairs F. No. 7(1)/ B(D)/ 2006	2006.07.31	Public Account Committee (14 th Lok Sabha) -Recommendation in Para No. 14 contained in Report No. 17— Large-scale Unspent Provisions—regarding
Planning Commission UO No. N- 11016/ 4/ 2006- PC	2006.08.29	Guidelines regarding Inclusion of New Schemes in the Plan, Enhancement of Five Year Plan/ Annual Plan Outlays, Major changes in the Scope and Investment approval of the Plan Schemes, for the Central Ministries/ Departments
Deptt. of Economic Affairs O.M. No. F.1(5)-B (AC)/	2006.10.12	Decentralization of Budget Provisions in respect of 'Works Expenditure'

2005	from the Demands for Grants of Ministry of Urban Development and reflecting them in the respective Demands for Grants of the Ministries/ Departments concerned
Planning Commission Member-Secretary's D.O. No. N-11016/ 5(1)/ 2006-PC	2006.11.13 Eleventh Plan (2007-2012) and Annual Plan 2007-08
Department of Expenditure Secretary's D.O. No. 7(3)/ 2006/ E. Coord.	2006.12.21 Important initiatives taken for improvement in public expenditure management and also to share the concerns and priorities
Department of Expenditure F. No. 21(1)-PD/ 2005	2006.12.27 Cash Management System in Central Government - Modified Exchequer Control based Expenditure Management and Restrictions on Expenditure during the last quarter of the Financial Year
Department of Economic Affairs No. F 2(72)-B(CDN)/2006	2007.04.30 Budget 2007-08 — Provisioning for Establishment related Expenditure in Continuing/ Completed Plan Schemes during the XIth Plan
DOT No. 3-3/2007-B	2007.05.23 Cash Management System in Central Government - Modification Exchequer Control Based Expenditure Management and Restrictions on Expenditure during the Last Quarter of the Financial Year
Department of Expenditure No. 1(3)/ PF.II/ 2001	2007.05.29 Continuation of On-going Schemes from X to XI Plan: Instructions regarding
Ministry of Tribal Affairs D.O. No. 20028/ 06/ 2007-SG-II	2007.08.02 Preparation of Tribal Sub Plan (TSP) and earmarking of Funds.

9 Controllers of Communications Accounts

Orders regarding the establishment, duties and powers of CCA offices

DOT No. 34-31/2000-SEA-I	2000.09.28 Creation of "DoT Cell" at BSNL Circle Accounting Headquarters consequent upon proposed Formation of Bharat Sanchar Nigam Limited (BSNL) with effect from 01.10.2000
DOT No. 7-1/2000-TA-1/17	2000.10.18 Creation of "DOT Cell" Unit at BSNL Circle Accounting Hq consequent upon the Formation of BSNL w.e.f. 1.10.2000
DOT No.7-1/2000-TA-I/21	2000.11.20 Clarifications on the Functional Responsibilities of the 'DoT Cells'
DOT No. 34-31/2000-SEA	2001.01.22 Diversion of Clerical and Group 'D' staff working in the Pension Section to DoT Cells
DOT No. 7-5/2000-F&A	2001.01.22 Delegation of Financial Powers to the Head of the DOT Cells
DOT No. 34-31/2000-SEA	2001.01.30 Functions of DOT cells
DOT No. 7-5/2001 F&A to CMD BSNL	2001.02.06 Formation of DoT Cells
DOT No.34-31/2000-SEA	2002.06.27 Change in the Nomenclature of "DoT Cell" in the Department of Telecom as "Office of Controller of Communication Accounts" and change of Designations reg.
DOT No. 33-15/2002-SEA-II	2003.04.07 Administrative Powers of the Head of the Office of Controller of Communication Accounts
DOT No. 7-5/2000-Fin	2003.12.22 Enhanced Financial Powers to the Head of the Office of CCA/ Jt. CCA
DOT No. 33-15/2002-SEA-II	2004.02.05 Delegation of Administrative Powers to the Heads of Offices of Controller of Communication Accounts regarding appointment of JAOs, Group 'C' & 'D' Staff on Deputation Basis
DOT No. 33-15/2002-SEA-II	2004.02.06 Delegation of Administrative Powers to the Heads of Offices of Controller of Communication Accounts regarding Local Tours
DOT No. 33-15/2002/SEA-II	2004.05.27 Delegation of Administrative Powers to the Heads of the Offices of Controller of Communication Accounts regarding appointment of JAOs, Group 'C' and 'D' Staff on Deputation basis – reg.
DOT No. 7-5/2000-Fin	2004.08.23 Delegation of financial powers to CCA/ Jt. CCA
DOT M(F)'s D.O. No. 7-7/2000-F&A (Pt.) to CMD, BSNL (Circulated vide No.7-5/ 2000- Finance (Pt.) dated 12.1.2005)	2004.12.06 Accommodation for CCA Offices in Departmentally owned Buildings by BSNL
DOT No. 7-5/2000-Fin	2004.12.27 Delegation of Financial Powers to CCAs and Jt. CCAs
DOT No. 7-5/2001 F&A	2005.01.12 Delegation of Financial Powers to CCAs and Jt. CCAs
DOT No. 7-5/2001-F&A	2005.06.13 Financial Powers to Dy. CCA
DOT No. 33-15/2002-SEA-II	2005.07.19 Delegation of Administrative Powers to the Heads of Offices of Controller of Communication Accounts for Medical/ GPF advances-reg.
DOT No. 7-7/2005/Fin	2005.10.05 Constitution of Local Purchase Committee and Tender Evaluation Committee
DOT No. 7-5/2001 F&A (Pt.)	2006.01.12 The following rates for the purchase of Brief case/ Lady's purse to the officers/ officials posted in the office of CCAs has been approved by the competent authority.
DOT No. 33-31/2005-SEA-I	2006.01.13 Inclusion of Name of Office of Controller of Communication Accounts in the list of eligible Offices for Allotment of Government Residential Accommodation -reg.
DOT No. 7-5/2000-Fin.	2006.04.27 Hiring of Vehicles
DOT No. 18-06/2006-SEA-I	2006.05.12 Instructions for Heads of Office of CCAs regarding Observance of Protocol with regard to the Visit of Senior Officers from DOT, HQs
DOT No. 7-5/2001 F&A(Pt)	2006.07.31 Enhancing the Ceiling for Purchase/ Reimbursement of Brief case/ Lady's Purse
DOT O.M.No. 33-15/2002-SEA-II	2006.09.07 Delegation of Administrative Powers to the Heads of offices of

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DOT No. 33-1/2006-SEA-1	Controller of Communications Accounts regarding Appointment of JAOs on Deputation Basis
DOT No. 7-5/2007-Fin.	2007.03.09 Appointment of CPIOs in the Offices of CCAs under Right to Information Act
DOT O.M. No. 54-1/2004-SEA-II	2007.09.10 Permanent Advance for Contingent expenditure.
	2007.09.12 Delegation of Administrative Powers to the Heads of the Offices of CCAs; Regarding
Accounting Circulars	
DOT No. 7-1/2000-TA-I/22	2000.12.04 Accounting Procedure to be followed in BSNL/ DOT Cell Unit
DOT No. 7-1/2000-TA-I/23	2000.12.11 Accounting of Transactions of Wireless Monitoring Organisation in Department of Telecommunications
DOT No. 7-7/2000-TA-I	2001.01.19 Pension, Leave Salary, Contributions to be made by BSNL for Staff/ Officers on Deemed Deputation from DOT
DOT No. 7-1/2000-TA-I	2001.02.07 Booking of Salary, Allowances and Office Expenses of Officers working in DOT Cells
DOT No. 7-1/2000-TA-I/22-5	2001.02.11 Accounting Procedure to be followed in BSNL/ DOT Cell Unit – reg
DOT No. 7-1/2000-TA-I	2001.03.23 Booking of Salary, Allowances and Office Expenses of Officers working in DOT Cells
DOT No. 7-1/2000-TA-I/21	2001.11.12 Steps to ensure Timely Payment of Pension to BSNL Staff
DOT No. 7-1/2000-TA-I/17	2002.07.31 Clarifications on Items of Settlement between BSNL and DOT
DOT No. 5-3/2002-TA-1 dated 03.02.2003	2003.02.03 State of Work Report of DOT Units.
DOT No. 7-18/2002-TA-I	2003.06.13 Merger of DoT Cells
DOT No. 7-1/2000-TA-I/23	2004.12.17 Accounting & Budgeting Transaction of Vigilance and Telecom Monitoring Units (VTM)
DOT No. 4-2/2001-B	2005.05.05 Payment of Remuneration for Disbursement of Pension through Post Offices to Telecom Pensioners
DOT No. 7-1/2000-TA-I/17	2005.05.09 Levy of Interest on Bharat Sanchar Nigam Limited for Delay in Remittance of LS/ PC GPF, Loans & Advances, CGEGIS/ CGEIS Credits/ Recoveries made from Salary of Absorbed Employees/ Employees on Deemed Deputation to CCAs
DOT No. 7-1/2000-TA-I/22	2005.05.19 Clarification regarding Unclassified Suspense Account on Account of Recoveries made from DCRG of BSNL Staff
DOT No. 7-7/2000-TA-I	2005.06.15 Recovery and Verification of Pension Contribution from BSNL
DOT No. 5-3/2002-TA-I	2005.08.23 Proforma of State of Work Report of DOT Units – Insertion of Col. 11 for Settlement of Pensioners' Grievances
DOT No. 7-7/2000-TA-I	2005.08.29 Recovery and Verification of Pension Contribution from BSNL
DOT No. 7-1/2000-TA-I/17	2006.01.24 Audit of Pension Payment Vouchers
DOT No. 7-1/2000-TA-I/17/pt.	2006.06.21 Accounting Procedure to be followed in BSNL/ DOT Cell Units
DOT No. 7-1/2006-TA-I	2006.11.02 Payment of Statutory Dues to DOT Cell - Levy of Interest for Delay in Remittances
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DOT No. 7-1/2000-TA-I KWI/17	2006.12.09 Pay Fixation under FR22(1)(a)(i) to JTOs and SDEs on their Vertical Promotion after Lateral Advancement Benefit
DOT No. 4-2/2001-B	2007.01.11 Payment of Service Charge towards Disbursement of Pension to Telecom Pensioners through Post Offices
DOT No. 5-3/2002-TA-I	2007.03.30 Proforma of State of Work Report of DOT Units – Insertion of Col. 12 for Settlement of GPF Cases
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DOT No. 33-23/2002-SEA-I	2002.09.30 Submission of Quarterly Establishment Return
No. 500-87/ 2004-05/ CA-IV/ BSNL (Part) to All CGMs of BSNL's Territorial Circles and Metro Districts (Chennai and Kolkata)	2005.06.22 Payment of Spectrum charges for the year 2005-06.
DOT No. 7-5/2004-Fin.	2006.02.16 Payment of Postage Charges to the Department of Posts on the Mail emanating from CCA Offices
DOT No. 4-2/2001-B	2006.02.23 Payment of Remuneration for Disbursement of Pension through Post Offices to Telecom Pensioners
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DOT No. 33-23/2002-SEA-I	2006.05.22 Submission of Quarterly CCA Report
DOT No. 33-23/2002-SEA-I	2006.05.25 Submission of Quarterly Establishment Return for the Quarter ending 31.6.2006 onwards reg.
DOT No. 8-2/2005-Trg.Fin (Enclosure: DOT No. 33-15/2005-SEA(Pt) dated 15.02.2005)	2006.08.18 Nomination of Head of Offices of CCAs for Training at ALTTC
DOT No. 1-4(34)/2000-PAT	2006.09.05 Pay Fixation under FR 22(1)(a)(i) to JTOs & SDEs on their Vertical Promotion after Lateral Advancement- Withdrawal of Benefit
BSNL No. 500-87/ 2006-07/ CA-IV/ BSNL to CGMs of all BSNL Circles	2006.11.16 Computation of Adjusted Gross Revenue and Payment of Spectrum Charges.

10 Legal Matters

DOT No. 3-2/2002-LC	2002.12.03 Submission of Information in Respect of Pending Court Cases in Seven Proformaes
DOT No. 3-2/2001-LC	2004.06.04 Deletion of name of Union of India through Secretary, Department of Telecommunications/ Chairman, Telecom Commission from arraigned party/ parties in litigation
DOT No. 4-1 /2003-LC	2005.07.29 Deletion of name of Union of India through Secretary, Department of Telecommunications/ Chairman, Telecom Commission from arraigned party(ies) in litigation
DOT No. 3-1/2005-LC	2006.03.02 Focus Action Group (Legal) meeting held on 24.2.2006
DOT No. 4-1/2003-LC	2006.03.29 Handling of Court Cases
DOT No.1-3/2006-LC	2006.06.27 Quarterly Return to Ministry of Law and Justice on Pending Central Government Cases in District/ Subordinate Courts
DOT No. 6-4/2006-LC	2006.10.19 Instructions – Procedures for Filing Appeal within Limitation Period on Receipt of an Order/ Judgment from Courts
DOT No. 4-1/2003-LC (Circulating the D.O.P.T. No. A-45011/2/2003-Ad.III dated 18.07.2003)	2006.12.26 Contempt case – Directions of Secretary (Personnel) – regarding
DOT No. 4-1 /2003-LC (Circulating DLA, Ministry of Law and Justice O.M. No. 29(3)/ 2006 -Judl. dated 23.8.2006)	2007.01.05 Engagement of Private Advocates
DLA No. 21(156)/2007-LC	2007.04.19 Information under RTI Act, 2005
DLA No. 33(1)2007-Judl.	2007.05.16
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DOT Order No. 17-1/2007-O&M	2007.08.10 Designating CPIOs and Appellate Authorities in respect of the specific subject matters under RTI Act.
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Statutory Extracts	Annexure B: Extracts from the Indian Wireless Telegraphy Act (ACT XVII OF 1933)
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"I wish I knew what I know now before."
 – Rod Stewart

***"Finish each day and be done with it.
You have done what you could;
some blunders and absurdities have crept in;
forget them as soon as you can.
Tomorrow is a new day;
you shall begin it serenely
and with too high a spirit to be encumbered
with your old nonsense."***

- Ralph Waldo Emerson