



STANDARD OPERATING
PROCEDURE
FOR
DEDUCTION VERIFICATION



DEPARTMENT OF TELECOMMUNICATIONS

2022

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1. Introduction

- 1.1. The Department of Telecom (DoT) switched from a fixed License Fee regime to a revenue-sharing regime in 1999. The different licenses issued under the revenue sharing regime allow the licensees to claim certain deductions from their Gross Revenue to arrive at Adjusted Gross Revenue (AGR), for the purpose of levying License Fee (LF) & Spectrum Usage Charge (SUC). Further, the Hon'ble Supreme Court in its orders dated 24.10.2019 & 01.09.2020 resolved the AGR definitional dispute in favour of DoT, by clearly outlining the principles underlying the definition of AGR as well as crystallising the total past dues payable by Access Operators. Moreover, the Telecom Reforms 2021 has effected many changes in financial conditions and compliance regime, which include, amongst others, the exclusion of non-telecom revenue from Gross Revenue (GR) to arrive at Applicable Gross Revenue (ApGR), for purposes of calculation of License Fee & Spectrum Usage Charges.
- 1.2. Further, DoT has launched revenue management system from FY 2020-21 – SARAS (System for Assessment of LF Revenue & SUC) - to ease, standardise and digitise all aspects of telecom finance compliance - document submissions, payments, assessment & reporting of telecom revenue, and related ancillary processes, across the life cycle of a licensee. SARAS has digitised the deduction verification process from end to end, with digital filing of all deduction claims and related supporting documents by Licensees, as well as online verification and generation of deduction verification notices/reports.
- 1.3. The work of Deduction Verification was delegated to the field offices of DoT i.e. offices of Principal Controllers of Communication Accounts (Pr. CCA) and Controllers of Communication Accounts (CCA) in 2006-07. DoT HQ has issued various rules/order/guidelines related to deduction verification process from time to time. Although the work of Deduction Verification is being carried out effectively by these offices, with detailed procedures evolved over time, going forward, it is crucial that all aspects of deduction verification regime are codified into a single document for reference and guidance. The process of Deduction Verification is sought to be codified through this SOP, taking into account above mentioned factors. In this context, this Standard Operating Procedure (SOP) is expected to help achieve greater levels of standardisation, efficiency as well as transparency and accountability in the deduction verification process.

2. Objectives

The objectives of this SOP are to facilitate and ensure:

- a) Efficient and timely processing of deduction claims
- b) Consistency & Uniformity across verifying authorities
- c) Transparency and accountability of verifying authorities
- d) Reduction of department-industry disputes and litigation
- e) Revenue assurance by standardising admissibility/inadmissibility of claims

3. Provisions in License Agreement

- 3.1. The provisions of various License Agreements/service authorisations provide the overarching framework within which the deduction claim and verification work is carried out. Such provisions of permissible deductions, including those pertaining to Access Service (UL-AS/UASL/UASL-DT/CMTS/Basic), NLD (NLD/UL-NLD) service, ILD (ILD/UL-ILD) service and VNO (UL-VNO) service, with the recent amendments introduced vide Amendments dated 31.03.2021 & Amendments dated 25.10.2021 (in pursuance of Telecom Reforms 2021), are listed out at Annexure-A.
- 3.2. While verifying deductions claimed under different licenses, the Verifying Authority shall keep in mind the provisions contained in this SOP as well as relevant provisions of the license agreement and the relevant orders issued by DoT.

4. Instructions of DoT

- 4.1. The list of various OMs/Letters/Clarifications/Guidelines, along with the orders, issued by DoT HQ on the subject are placed at Annexure 1-52
- 4.2. In case of any contradiction between procedure prescribed through orders/clarifications issued earlier and the present SOP, the provisions of this SOP shall prevail over the order/clarification, to the extent of the inconsistency between the two. In case DVR of any past F.Y is reopened as per Para 11 of this SOP, then the procedure prevailing during the particular F.Y shall continue to be applicable.
- 4.3. Director (LFA/LFP), DoT HQ shall arrange to publish all the clarifications/guidelines issued by DoT HQ from time to time on SARAS website(saras.gov.in) and DoT website(dot.gov.in).
- 4.4. LFA/LFP Divisions of DoT HQ shall be the nodal agency to provide any further clarifications regarding the provisions of this SOP.
- 4.5. This SOP shall be applicable for deduction verification process pertaining to FY 2021-22 onwards, except the provisions where date of applicability is expressly mentioned.

5. Deduction Verification in SARAS

- 5.1 It shall be the responsibility of the Licensee as well as the Verifying authorities to ensure that the process of Deduction Verification is conducted through the DVR module of SARAS for FY 2020-21 onwards. The roles and responsibilities of the Licensee and the Verifying Authority, and various business processes/logics involved, are described in detail in User Manual for the DVR module. The business processes/logics in SARAS, as well as the User Manual, shall be updated by System Integrator (SI) for SARAS, in line with this SOP document, as well as the guidelines/clarifications issued by DoT in the future, if required.

5.2 The submission of physical documents by Licensees to Verifying Authorities, as well as Provisional/Final Deduction Verification of physical documents, shall continue along with submissions/verification in SARAS, till further orders by DoT HQ.

6. Documents for Deduction Verification

6.1. Documents Required for verification of deductions of Access License (all categories of Access license):

6.1.1. The Verifying Officer shall arrange to keep proper record of Name, Address, Contact Number, Email, etc of the Authorized Signatory of the Licensee and ensure that the same is updated in SARAS from time to time.

6.1.2. The following documents are required to be submitted by the Access Licensees in support of deductions claims:

- i. Check list of documents listed from (ii) to (xv) below.
- ii. Copy of the extract of the Board Resolution regarding delegation of attorney-powers and duly attested Special Power of Attorney, complete with specimen signatures, issued in the favour of the Authorized Signatory.
- iii. Authorization Letter issued in favour of a Responsible Officer who shall be signing the documents
- iv. Claim sheet in Formats AO, AG and IR (Annexure – B, C, D) along with Statement PP (Annexure- E) duly signed by the Authorized Signatory on quarterly basis and by the Auditor on annual basis. With regard to International Roaming claims, it may be noted that all cells of the Annexure-IR should be duly filled by the Licensee, and also the deduction claim in INR should be based on forex rate on the date of actual payment.
- v. Cost invoices/Debit notes clearly mentioning type of expenditure/Volume, rate, amount and name of service area for which expenditure pertains.
- vi. Revenue invoice/ Credit note in case netting is done while settling cost invoice.
- vii. TDS proof in Form 16 A/26Q (duly mapped) or Tax Auditor's Certificate (as detailed at para 8.5.)
- viii. If GST is claimed as deduction, then GSTR-3B along with GST payment proofs
- ix. Bank Statement (relevant pages only) duly signed and stamped by the Bank Authorities and the Authorized Signatory of the Licensee shall be submitted as proof of payment.
- x. In case the Bank Statement does not mention the name of the Recipient/Payee, a Bank Certificate (clearly stating the Name of Recipient/Payee, Date of Debit/Credit and Amount) duly mapped with AO and signed by the Bank Authorities and the Authorized Signatory shall be submitted.
- xi. In case of intra-Company/Division transactions, where no cash transaction takes place and settlement is effected through book entries, copy of Ledger Extract (in the form of Screenshots, MS Excel Sheet, Summarized document)/ Debit Note signed by the Authorized Signatory. At the end of Financial Year, the Ledger Extract duly certified by Auditors Certificate shall also be submitted. The Extract of Ledger should mention the Date of Invoice Booking, Type of

- Expenditure (IUC etc.), Invoice Number and the name of the Circle/Division/Segment which raised the Invoice.
- xii. Un-audited / Audited AGR statement.
 - xiii. Operator-wise details of PSTN/Roaming Charges paid to other operators during the quarter by the Authorized Signatory and by the Statutory Auditor at the end of the Financial Year.
 - xiv. Certificate by the Authorized Signatory every quarter that claimed invoices only pertain to deductions admissible under License Agreements/extant rules and orders of DoT. A similar certificate shall be submitted by the Statutory Auditor at the end of the Financial Year.
 - xv. Certificate by Authorized Signatory that invoices claimed in a particular quarter have not been claimed previously.
 - xvi. Certificate by Authorised Signatory for correctness of circle & transaction wise break up of Consolidated Payments settled at level of corporate offices

6.2 Documents Required for verification of deductions of UL-VNO Licensees:

6.2.1 The Verifying Officer shall arrange to keep proper record of Name, Address, Contact Number, Email, etc of the Authorized Signatory of the Licensee and ensure that the same is updated in SARAS from time to time.

6.2.2 The following documents are required to be submitted by the UL-VNO Licensees in support of deductions claims:

- i. Check list of documents listed from (ii) to (x) below.
- ii. Authorization Letter issued in favour of a Responsible Officer who shall be signing the documents.
- iii. Copy of NSO Agreement(s).
- iv. Original NSO Bills/Invoices clearly mentioning type of expenditure, amount and name of service area for which expenditure pertains.
- v. Payment Proof in the form of Bank Statement (relevant pages only)/payment receipt etc duly signed and stamped by the Authorized Signatory of the Licensee.
- vi. If GST is claimed as deduction, then GSTR-3B along with GST payment proofs.
- vii. TDS proof (if applicable) in Form 16 A/26Q (duly mapped) or Tax Auditor's Certificate (as detailed at para 8.5.)
- viii. Un-audited / Audited AGR statement.
- ix. Certificate by the Authorized Signatory every quarter that claimed invoices only pertain to deductions admissible under License Agreements/extant rules and orders of DoT. A similar certificate shall be submitted by the Statutory Auditor at the end of the Financial Year.
- x. Certificate by Authorized Signatory that invoices claimed in a particular quarter have not been claimed previously.

6.2.3 As the UL-VNO licensing regime is a fast-evolving domain, the above guidelines for UL-VNO licensees shall be revised in line with reforms from time to time.

- 6.3 Documents Required for verification of deductions of NLD/ILD/UL-NLD/UL-ILD Licensees:
- 6.3.1 The Verifying Officer shall arrange to keep proper record of Name, Address, Contact Number, Email, etc of the Authorized Signatory of the Licensee and ensure that the same is updated in SARAS from time to time.
- 6.3.2 The verification of claimed deductions for NLD/ILD/UL-NLD/UL-ILD licenses, till F.Y 2020-21, shall continue to be, as per extant orders, based on Statutory Auditor's Certificate detailing the quarter wise operator wise Call Charges (Access Charges) actually paid to other TSP's during the year, with certification that claimed invoices only pertain to deductions admissible under License Agreements/extant rules and orders of DoT.
- 6.3.3 However, from FY 2021-22 onwards, the verification of claimed deductions for NLD/ILD/UL-NLD/UL-ILD licenses shall be based on:
- i. Check list of documents listed from (ii) to (viii) below.
 - ii. Copy of the extract of the Board Resolution regarding delegation of attorney-powers and duly attested Special Power of Attorney, complete with specimen signatures, issued in the favour of the Authorized Signatory.
 - iii. Authorization Letter issued in favour of a Responsible Officer who shall be signing the documents
 - iv. Un-audited / Audited AGR statement.
 - v. Certificate detailing the quarter-wise, operator-wise and circle-wise (if applicable) Call Charges/Access Charges actually paid to other operators (including foreign operators, if applicable) during the year, signed by the Authorized Signatory after every quarter and by the Statutory Auditor at the end of the Financial Year. It should also detail the type/nature of activities of the claimed call/access charges, and amount for each type/nature of claimed call/access charges.
 - vi. For NLD/UL-NLD deduction claims, Claim sheet in Formats AO & AG (Annexure – B & C) & Statement PP (Annexure – E) duly signed by the Authorized Signatory on quarterly basis and by the Statutory Auditor on annual basis shall be submitted. For ILD/UL-ILD deduction claims, all Claim sheets formats shall be the same, except AO-ILD (as per Annexure-F).
 - vii. Certificate by the Authorized Signatory every quarter that claimed invoices only pertain to deductions admissible under License Agreements/extant rules and orders of DoT. A similar certificate shall be submitted by the Statutory Auditor at the end of the Financial Year.
 - viii. Certificate by Authorized Signatory that invoices claimed in a particular quarter have not been claimed previously
 - ix. Certificate by Authorised Signatory for correctness of circle & transaction wise break up of Consolidated Payments settled at level of corporate offices

- 6.4 The above documents, applicable to Access, VNO, NLD & ILD operators, are to be submitted by the Licensee to the respective Verifying Officer in spiral-binding, properly indexed with every page numbered. The Forwarding letter, Index page, Affidavit, Ledger extract, Claim Sheets, Bank statement/Certificates, Certificate about non-claim in previous quarter, Certificate for correctness of Consolidated payment, Certificate that claimed invoices only pertain to deductions admissible, Unaudited/Audited AGR Statement and Annexure to AGR containing Operator-wise PSTN/Roaming Charges actually passed on to other operators shall be signed and stamped by the Authorized Signatory of the Licensee. The other pages/documents may be signed by the Authorised Signatory or a Responsible officer of the licensee duly authorized by the Authorized Signatory.
- 6.4.1 Going forward, considering the ongoing stabilisation of DVR module of SARAS and smooth usage by all Licensees across India for filing deduction claims, the need for physical submission of deduction claim documents may be removed by DoT at appropriate time.
- 6.4.2 The Licensee should submit all the prescribed documents in support of its Deduction Claim within the prescribed time limit. Any document submitted after prescribed/extended date shall not be ordinarily considered for verification work. However, the Verifying Authority may consider the documents submitted after prescribed/extended date under exceptional circumstances.
- 6.5 Timeline for Submission of Documents
- 6.5.1 The Licensee is required to submit the required documents within 75 days from the end of relevant quarter.
- 6.5.2 Under normal circumstances, the above-mentioned period of 75 days is extendable by 15 days with the permission of the Verifying Authority. Under exceptional circumstances, the Verifying Authority may permit submission of supporting documents/new claims beyond these timelines, but not after the DVR based on Audited documents has been prepared and communicated to License Fee (LF) Assessment Authority. This would be treated as an exception and should only be allowed in rare occasions with compelling reasons to be recorded in writing.
- 6.5.3 The time chart for submission of documents and finalisation of deduction verification process is given at Annexure-G

7 Deduction Verification Authorities

- 7.1 The Table 1 presents the authorities competent to approve the Provisional/Final Deduction Verification Reports (DVR) in the offices of Pr. CCA and CCA.

Table 1

Verifying Authority	Reviewing Authority
Jt.CCA *	Pr. CCA/CCA **

* In case Jt. CCA is not available in any office, CCA shall be the Verifying Authority and Pr. CCA of the Zone shall be the Reviewing Authority. In case of any office where Pr. CCA is co-located with CCA, Pr. CCA shall be the Reviewing authority

** In case of any office headed by Jt. CCA, he/she shall be the Verifying authority and the Pr. CCA of that zone shall be the reviewing authority

8 Provisional Deduction Verification Process

8.1 Verification of Documents

8.1.1 The Verifying Authority shall cause to conduct preliminary scrutiny of the documents (only those which are signed by the Authorized Signatory as mentioned in Para 6.3) submitted by the Licensee to examine whether the documents are in the formats specified by the DoT and are legible.

8.1.2 In case the documents are not in prescribed formats, illegible or any other discrepancy is noticed, the Verifying Authority shall return the same to the Authorized Signatory of the Licensee with directions to resubmit the documents in the prescribed formats within the time limit prescribed for submission of documents.

8.1.3 Normally, the grant of additional time as mentioned in para 6.5 shall not cause to exceed the time limit prescribed i.e. 75 + 15 days, for submission of documents.

8.1.4 At the time of verification of Unaudited deduction claims, Verifying Authority can mark the status of claims as below:

- a. Admissible
- b. Inadmissible
- c. Provisionally admissible
- d. Partially admissible

8.2 Admissibility of Invoices

8.2.1 While checking the Cost Invoices, the admissibility/inadmissibility of any item of deduction will be decided in terms of License Agreement and orders/clarifications issued by DoT HQ from time to time. The list of admissible and inadmissible items of deduction based on orders/clarifications issued by DoT HQ till December 2021 are compiled and presented as Annexure 1-52. A specific list of admissible and inadmissible items for NLD/ILD/ISP licenses shall be notified in due course. The Pr. CCA/ CCA offices may ensure that these lists are periodically reviewed and updated in accordance with orders/clarifications issued by DoT HQ from time to time.

8.2.2 The Cost Invoices submitted by the Licensee shall be carefully examined. The Cost Invoice should bear following details:

- i. Name of Issuer and Service Area
- ii. Name of Licensee (claimant) and Service Area
- iii. In case of the consolidated invoices (issued for more than one service area), TSP shall obtain a service area-wise break-up of the invoice from the Service Provider

that raised the invoice and submit the same to the CCA office along with the invoice.

- iv. Type of Expenditure i.e., PSTN/Roaming etc.
- v. Minutes of Usage (MOU)/Volume, TRAI approved call charges/Rates, Amount, date, period, serial number etc.
- vi. GST number of buyer/seller and amount of GST

8.2.3 It shall be verified that the Cost Invoice pertains to the concerned Circle and is for item(s) mentioned in the Admissible List of Deductions. In some cases, a consolidated invoice pertaining to many circles is raised by a Licensee against another Licensee. In such cases, the verification should be done on basis of break-up of the consolidated invoice provided by the Licensee.

8.2.4 In case the Cost Invoice (or a part of it) pertains to an inadmissible/ambiguous item then a note of same should be kept for the purpose of issuing of show cause notice.

8.2.5 In the intra-company claims (AG), the amount booked in the GL extract on basis of Provisional/Reversal invoices shall not be considered as admissible deduction.

8.3 Checking of Payable Amount / Receivable Amount

8.3.1 Gross Settlement: In case Gross Settlement has been made, the payable amount may be checked by deducting the TDS amount from Gross Amount of Cost Invoice and it may be seen that same has been correctly mentioned in the claim sheet. In some cases, the Licensee claiming deductions passes an amount lesser than the amount of cost invoice. In such cases, the deduction allowed should be restricted to the amount passed by the claimant.

8.3.2 Net settlement: In case of Netting of a Cost Invoice by a Licensee against a Revenue Invoice, the claim should be checked to see that the Payable/Receivable amount tallies with the following equation:

$$\text{Amount Payable /Receivable} = [\text{Gross (Passed) value of Cost Invoice} + \text{Service Tax or GST} - \text{TDS on Cost Invoice}] - [\text{Gross Amount of Receivable Invoice} + \text{Service Tax or GST} - \text{TDS on Receivable Invoice}]$$

8.3.3 All India Settlement: In case All India Settlement has been made it should be checked that:

- i) Detailed statement showing payable/receivable amount in respect of all the invoices for which the All India Settlement has been made has been submitted by the claimant.
- ii) Details of all the invoices for which claim has been made are available in the statement duly mapped.
- iii) Payable/receivable and/or net payable/receivable amount has been correctly worked out in the statement and is duly signed by the Authorized Signatory along with the Certificate for correctness of circle and transaction wise break up of consolidated payment

8.4 Checking of Payment Proofs

8.4.1 Since the deductions are to be claimed on paid basis as per License Agreement, the TSPs should always claim the deductions in the quarter in which the actual amount was paid, irrespective of the date of the invoice. Under exceptional circumstances, where the TSP has been unable to claim the amount in the quarter in which the amount was actually paid, the TSP may claim an already paid invoice in any subsequent quarter. However, in case the Final DVR based on Audited documents has been prepared and communicated to License Fee (LF) Assessment Authority, such consideration of the claims shall not be permitted.

8.4.2 Normally the net payable amount worked out in the claim sheet should tally with the amount of Debit shown in the Bank Statement/Bank Certificate. However, in some cases, the Debit amount may exceed the amount payable due to inclusion of Bank Charges. The amount of Bank Charges should be mentioned by the Licensee in the Remarks column of the Claim Sheets. In such case, the amount of deduction claimed shall not include Bank charges, and if so claimed by the Licensee, shall be disallowed.

8.5 Verification of TDS Deduction Claims

8.5.1 The deductions claimed on account of TDS amounts may be verified on basis of following documentary proofs of TDS deposited by the Licensee:

- i) Form 26Q: Entries duly mapped with Claim Sheet.
- ii) Copies of Challans
- iii) Circle wise break up of Challan amount
- iv) Agreement of Challans with 26Q
- v) Annual Certificate from Statutory Auditor/ Tax Auditor

8.5.2 In case, the TDS amount is not verified from above records, only the TDS amount may be disallowed. The disallowance of TDS component will not have any bearing on the admissibility of Cost Invoice which shall be admissible if verified from payment proof/Bank statement, etc.

8.5.3 Alternatively, instead of documents mentioned in para 8.5.1, the Licensee may submit a certificate issued by Tax Auditor that the quarterly TDS amounts have been correctly shown in claim sheets AO and PP and have actually been deposited into government accounts as per provisions of the Income Tax Act, 1961.

8.5.4 From F.Y 2019-20, only the afore-mentioned Tax Auditor Certificate shall be sufficient.

8.5.5 In case during comparison between TDS Tax Auditor Certificate and claim sheet, if there is some unreconciled amount, the same shall be disallowed.

8.6 Levels of Verification

8.6.1 The Deduction Verification process shall consist of two stages of verification. In the first level, 100% of the invoices are to be verified by the official mentioned below. In the next level, a lower percentage on test check basis is prescribed as mentioned below in Table 2

Table 2

Value of Individual Cost Invoice *	1 st Level of Verification		Next Level of Verification	
	By	Minimum Percentage	By	Minimum Percentage
All Invoices	JA/SA	100%	AAO	100%
Above Rs. 10 lakhs	AAO	100%	AO/Sr. AO	25%
Above Rs. 50 lakhs	AO/Sr. AO	100%	ACCA/Dy. CCA	10%
Above Rs. 1 crore	ACCA/Dy. CCA	100%		

* Value = Basic amount of Cost Invoice

The above is illustrated through the following example. Assuming that the Licensee has claimed invoices in the manner tabulated below-

Table 3

Category	Amount of Invoice	Number of Invoices
A	Less than Rs. 10 Lakhs	65
B	Equal to or more than Rs.10 Lakhs but less than Rs.50 lakhs	10
C	Equal to or more than Rs.50 Lakhs but less than Rs.1crore	10
D	Equal to or more than Rs.1 crore	15
	Total	100

In the above case, for example, the Dy. CCA, shall verify 16 invoices in all, which will include 1 randomly selected invoice of Category C (10% of 10), and all the 15 invoices of Category D (100% of 15). The number of invoices to be checked at each level can be decided accordingly.

8.6.2 In case a particular level of officer is not available in any office, the next higher officer shall also conduct the verification up to the percentage indicated for lower level of officer.

8.6.3 The Verifying Authority shall keep a record of invoices being allowed/ disallowed in a particular quarter with proper referencing; in a manner that facilitates future review.

8.7 Issue of Objection Report cum Show-cause Notice:

- 8.8 After verification of deduction claims as per para 8.1 to 8.5, an Objection Report cum Show-cause Notice as in Annexure I, with the approval of Verifying Authority, will be issued to the Licensee through SARAS, Email as well as Registered Post/Speed Post (till further orders) to the Authorized Signatory mentioning the details of claims under objection and proposed to be disallowed on account of incomplete documentation or inadmissibility in terms of License Agreement. The Objection Report cum Show-cause Notice will be ordinarily issued within 60 days of the last date of submission of documents as mentioned in Para 6.5.
- 8.8.1 The Licensee will be given an opportunity to submit additional documents/justification only in respect of objected/proposed disallowed claim to the Verifying Authority within 15 days of date of issue of Objection Report cum Show-cause Notice. No new/additional claim, other than that submitted in AO/AG/PP Format earlier, shall be considered in the TSPs representation against the Show Cause Notice.
- 8.8.2 On written request of the Licensee, final extension of another 7 days for submission of justification/additional documents may be provided by the Verifying Authority by recording the reasons in writing.
- 8.8.3 No further extension will be provided and in case the Licensee fails to submit additional documents/justification within permissible time, objected/proposed to be disallowed claim shall be settled (allowed/disallowed) without providing any further opportunity/notice.
- 8.9 Examination of Additional Documents/Justification
- 8.9.1 If the Licensee submits a reply within the permitted time period, the same will be examined as per procedure described in para 8.1 to 8.6 and the claim will be allowed/disallowed by the Verifying Authority based on merits.
- 8.10 Preparation of Provisional Quarterly Deduction Verification Report
- 8.10.1 The process of preparation of Provisional/ Quarterly DVR is based on three figures obtained from three sets of documents:
- a) Unaudited AGR statement in which deductions figures are reported on paid basis
 - b) Unaudited Claim Sheets containing item wise details of deductions claimed (AO/AG/IR)
 - c) Verification of supporting documents by the Verifying Authority (Invoice/Payment proof etc)
- 8.10.2 The admissible amount should be least of the figures obtained from the three set of docs i.e from AGR Statement, Claim Sheets and Verified Supporting documents.
- 8.10.3 After completing the verification process as per Para 8.1 to 8.8, a Provisional Quarterly Deduction Verification Report (DVR) will be prepared by the Verifying Authority. The Verifying Authority may ordinarily complete the process of preparing the Provisional

Quarterly DVR within 30 days of receipt of reply of TSP to Objection Report cum Show Cause Notice.

- 8.10.4 While preparing the DVR, the relevant order for Negative AGR shall be kept in mind.
- 8.10.5 The Provisional Quarterly DVR would be subject to review on receipt of Audited AGR and Auditors Certificate.

9 Final Deduction Verification Process

- 9.1 On receipt of the Audited AGR along with Auditors Certificate and related deduction claim documents in terms of relevant provisions of respective License Agreements, the Provisional Quarterly Deduction Verification already carried out will be reviewed and admissible claim will be regularized by the Verifying Authority with reference to deductions claimed in the Audited AGR and related documents.
- 9.2 Here again, as per Para 8.10.2, the final admissible amount for each quarter should be least of the figures obtained from the three set of documents i.e from Audited AGR Statement on paid basis, Audited Claim Sheets and Verified Supporting documents.
- 9.3 In no case the licensee may be allowed to submit two distinct Audited AGRs i.e. one with deductions on accrual basis and another with deductions on actual payment basis, as there is no provision in UL Agreement for submission of multiple AGR Statements.
- 9.4 At the time of verification of audited deduction claims, verifying authority mark the status of claims as below:
 - a. Admissible
 - b. Inadmissible
 - c. Partially admissible
- 9.5 Submission of Final Deduction Verification Report (DVR) to License Fee (LF) Assessment Authority:
 - 9.5.1 The Final DVR will be submitted to License Fee (LF) Assessment Authority by the Verifying Authority in the format given in Annexure K, within 90 days of receipt of Audited AGR and deduction claim documents, or by 31st December, whichever is earlier, through SARAS/E-mail and hard copy (if required), provided that no representation for review is pending with the Reviewing Authority.
 - 9.5.2 In case a representation is pending for order with Reviewing Authority, the Final DVR will be submitted to License Fee (LF) Assessment Authority within 15 working days of disposal by the Reviewing Authority, through SARAS/E-mail and hard copy (if required), as per Para 10.2 below.
- 9.6 However, in case due to administrative reasons, where work of verification is in arrears and quarter-wise provisional verification has not been carried out, the deduction

verification will be carried out for all the quarters as per procedure outlined in Para 8 and 9.1 to 9.4.

- 9.7 The details of disallowed claims along with detailed item-wise reasons for disallowance of thereof will be provided to the Licensee by the Verifying Authority in form of Annual Verification Notice to Licensee (Annexure J), through SARAS/E-mail and hard copy (if required), within 75 days of receipt of Audited AGR and deduction claim documents, with an opportunity to represent against disallowance within 15 days of date of receipt of communication of disallowance details, subject to conditions mentioned in Para 10.1.1. However, if no communication/representation is received within 15 days, the DVR shall be treated as final and submitted to License Fee (LF) Assessment Authority
- 9.8 The Reviewing Authority may further extend the time period for submitting representation by another 7 days on written request of the Licensee duly supported by reasons.

10 Review of Final Deduction Verification Report (DVR)

- 10.1 The review of the Final DVR may be preferred within the permissible time limit/extended time limit as mentioned in Para 9.7 and 9.8.
- 10.1.1 However, the liability of licensee for payment of interest on account of short payment of LF will continue till all dues as per reviewed Final DVR and assessments are paid.
- 10.2 Disposal of Representation by Reviewing Authority
- 10.2.1 The Reviewing Authority shall not consider any new claim as part of the representation. However, new supporting documents (payment proofs, invoices, bank statement/certificates, statutory auditor's certificates etc) submitted in support of earlier disallowed claim may be accepted for consideration
- 10.2.2 On receipt of representation, the Verifying Authority shall be heard by the Reviewing Authority on the issues raised by the Licensee within 10 days of receipt of representation, and shall submit item-wise comments to the Reviewing Authority within 20 days of receipt of representation
- 10.2.3 On receipt of comments from Verifying Authority, the representation will be decided by the Reviewing Authority within 15 days.
- 10.2.4 Based on the disposal of representation by the Reviewing Authority, the DVR may be revised and submitted to the License Fee (LF) Assessment Authority within 15 days of the disposal of the representation, as per Para 9.5 above.

11 Reopening of Deduction Verification Cases

- 11.1 After submission of Final DVR to License Fee (LF) Assessment Authority, Deduction Verification report (Final DVR) shall be reopened only on written instructions of the LF Assessment Authority.
- 11.2 Reopening would be treated as an exception and should only be allowed on rare occasions with compelling reasons. In such cases, new claims/supporting documents in respect of previous claims shall also be considered by Verifying authority, if submitted by the licensee within the time-period specified by the License Fee (LF) Assessment Authority, in the order for reopening.
- 11.3 The License Fee (LF) Assessment Authority may not generally allow any opportunity to represent against the Final DVR through the License Fee Assessment Order, as adequate opportunity for representation and review has already been provided in the regular course.

Previous provisions and Amended provisions
(vide Amendments dated 31.03.2021 & 25.10.2021)
for deductions prescribed under various License/Service Authorisation types

1. UL ACCESS SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to other Service Provider(s) (Operator-wise)	PSTN/PLMN/GMPCS related call charges (Access Charges) paid to other eligible/entitled Telecommunication service providers within India
2	Roaming revenue actually paid to other CMSPs And GMPCS service providers (operator- wise)	Roaming revenues passed on to other eligible/entitled telecommunication service provider
3	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government

2. UL ISP A/B/C SERVICE

S. No.	Previous Provisions	Amended Clause
1	-----	Revenue of pass through nature passed on to other Service Providers. (Operator wise details)
2	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government
3	Roaming revenue actually passed on to other eligible/entitled telecom service provider	Roaming revenue passed on to other eligible/entitled telecom service provider

3. UL NLD SERVICE

S. No.	Previous Provisions	Amended Clause
1	Revenue of pass through nature actually passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.	Revenue of pass through nature passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.
1(A)	Revenue of pass thru nature actually passed on to other telecom service providers for usage of Calling cards at the originating point (Operator-wise detail)	Revenue of pass through nature passed on to other telecom service providers for usage of Calling cards at the originating point (Operator-wise detail)
1(B)	Revenue of pass thru nature actually passed on to other telecom service providers for usage of Calling Cards at the terminating Point (operator-wise detail)	Revenue of pass through nature passed on to other telecom service providers for usage of Calling Cards at the terminating Point (operator-wise detail)
2	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government

4. UL ILD SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges passed on to other service provider(s) (Operator Wise) (Copy of agreement to be provided in the first quarter)	Charges passed on to other service provider(s) (Operator Wise) (Copy of agreement to be provided in the first quarter).
1(A)	Revenue of pass thru nature actually passed on to other telecom service providers for usage of Calling cards at the originating point (operator-wise details)	Revenue of pass through nature passed on to other telecom service providers for usage of Calling cards at the originating point (operator-wise details)
1(B)	Revenue of pass thru nature actually passed on to other telecom service providers for usage of Calling cards at the terminating point (operator-wise detail)	Revenue of pass through nature passed on to other telecom service providers for usage of Calling cards at the terminating point (operator-wise detail)
2	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government

5. UL GMPCS SERVICE

S. No.	Previous Provisions	Amended Clause
1	PSTN related Call charges passed on to basic, cellular and long distance service provider(s) (operator-wise)	PSTN related Call charges passed on to basic, cellular and long distance service provider(s) (operator-wise)
2	Roaming revenues actually passed on to CMSPs and other GMPCS service providers. (operator-wise)	Roaming revenues passed on to CMSPs and other GMPCS service providers. (operator-wise)
3	Service Tax paid to the Government.	Goods and Service Tax (GST) paid to the Government.

6. UL PMRTS SERVICE

S. No.	Previous Provisions	Amended Clause
1	PSTN related Call charges actually paid on to other Access telecom service provider	PSTN related Call charges paid on to other Access telecom service provider
2	Goods and Service Tax paid to the Government.	Goods and Service Tax (GST) paid to the Government.

7. UL Commercial VSAT SERVICE

S. No.	Previous Provisions	Amended Clause
1	Revenue of pass through nature actually passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.	Revenue of pass through nature passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.
2	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government

8. UL INSAT MSSR SERVICE

S. No.	Previous Provisions	Amended Clause
1	Revenue of pass thru nature actually passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.	Revenue of pass thru nature actually passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.
2	Goods and Service Tax paid to the Government.	Goods and Service Tax (GST) paid to the Government.

9. UL Resale of IPLC SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to other telecom service providers for procurement of bandwidth, last mile connectivity used for provision of end to end IPLC; (Note: Any charges paid for multiplexing, de-multiplexing, billing system and related customer management are not to be deducted.) (Operatorwise) (Copy of agreement to be provided in the first quarter.)	Charges actually paid to other telecom service providers for procurement of bandwidth, last mile connectivity used for provision of end to end IPLC; (Note: Any charges paid for multiplexing, de-multiplexing, billing system and related customer management are not to be deducted.) (Operatorwise) (Copy of agreement to be provided in the first quarter.)
2	Service Tax paid to the Government.	Goods and Service Tax paid to the Government.

10. UL VNO Access SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges
2	Charges actually paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs.	Charges paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs.
3	Goods and Service Tax paid to the Government.	Goods and Service Tax paid to the Government

11. UL VNO ISP A/B/C SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.
2	Charges actually paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs.	Charges paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

12. UL VNO NLD SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s)(NLD). towards applicable access charges such as carriage charges, termination charges and roaming charges.	Charges paid to parent NSO(s)(NLD) toward applicable access charges such as carriage charges, termination charges and roaming charges.
2	Charges actually paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs	Charges paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

13. UL VNO ILD SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carnage charges, termination charges and roaming charges	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges
2	Charges actually paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs	Charges paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

14. UL VNO GMPCS SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.
2	Charges actually paid to NSO towards Minutes and SMSs.	Charges paid to NSO towards Minutes and SMSs.
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

15. UL VNO PMRTS SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.
2	Charges actually paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges and minutes.	Charges paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges and minutes.
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

16. UL VNO Commercial VSAT SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.
2	Charges actually paid to Bulk/ wholesale bandwidth, leased line and bandwidth charges.	Charges paid to Bulk/ wholesale bandwidth, leased line and bandwidth charges.
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

17. UL VNO INSAT SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.
2	Charges actually paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs.	Charges paid to NSO towards Bulk/ wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs.
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

18. UL VNO Resale of IPLC SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to other telecom service providers for procurement of bandwidth, last mile connectivity used for provision of end to end IPLC; (Note: Any charges paid for multiplexing, de-multiplexing, billing system and related customer management are not to be deducted.) (Operatorwise) (Copy of agreement to be provided in the first quarter.)	Charges paid to other telecom service providers for procurement of bandwidth, last mile connectivity used for provision of end to end IPLC; (Note: Any charges paid for multiplexing, de-multiplexing, billing system and related customer management are not to be deducted.) (Operatorwise) (Copy of agreement to be provided in the first quarter.)
2	Charges actually paid to NSO towards Build wholesale bandwidth, leased line and bandwidth charges.	Charges actually paid to NSO towards Build wholesale bandwidth, leased line and bandwidth charges.
3	Goods and Service Tax paid to the Government	Goods and Service Tax paid to the Government

19. UL VNO Access Category B SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.	Charges paid to parent NSO(s) towards applicable access charges such as carriage charges, termination charges and roaming charges.

2	Charges actually paid to NSOs towards Bulk/Wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs	Charges paid to NSOs towards Bulk/Wholesale bandwidth, leased line and bandwidth charges, minutes and SMSs
3	Goods and Service Tax paid to the Government.	Goods and Service Tax paid to the Government.

20. UASL SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to other Service Provider(s) (Operator-wise)	Charges paid to other Service Provider(s) (Operator-wise)
2	Roaming revenue actually paid to other CMSPs And GMPCS service providers (operator- wise)	Roaming revenue actually paid to other CMSPs And GMPCS service providers (operator- wise)
3	Goods and Service Tax paid to the Government	GST paid to the Government.

21. UASL-DT SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to other Service Provider(s) (Operator-wise)	Charges paid to other Service Provider(s) (Operator-wise)
2	Roaming revenue actually paid to other CMSPs And GMPCS service providers (operator- wise)	Roaming revenue actually paid to other CMSPs And GMPCS service providers (operator- wise)
3	Goods and Service Tax paid to the Government	GST paid to the Government.

22. NLD SERVICE

S. No.	Previous Provisions	Amended Clause
1	Revenue of pass through nature actually passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.	Revenue of pass through nature passed on to other service providers.(operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.
2	-----	1A. Revenue of pass through nature passed on to other telecom service providers for usage of Calling cards at the originating point (Operator-wise detail)
3	-----	1B. Revenue of pass through nature passed on to other telecom service providers for usage of Calling Cards at the terminating Point (operator-wise detail)
4	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government.

23. ILD SERVICE

S. No.	Previous Provisions	Amended Clause
--------	---------------------	----------------

1	Charges passed on to other service provider(s) (Operator Wise) (PSTN) (Copy of agreement to be provided in the first quarter)	Charges passed on to other SERVICE PROVIDER(s) (OPERATOR-wise) (Copy of agreement to be provided in the first quarter).
2	-----	1A. Revenue of pass through nature passed on to other telecom service providers for usage of Calling cards at the originating point (operator-wise details)
3	-----	1B. Revenue of pass through nature passed on to other telecom service providers for usage of Calling Cards at the terminating Point (operator-wise detail)
4	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government.

24. ISP A/B/C SERVICE

S. No.	Previous Provisions	Amended Clause
1	Pure Internet Revenue/Internet Access and Content charges * *(removed vide Amendment dated 31.03.21)	Revenue of pass through nature passed on to other service providers. (operator-wise details)
2	Roaming revenue actually passed on to other eligible/entitled telecom service provider	Roaming revenue passed on to other eligible/entitled telecom service provider.
3	Goods and Service Tax (GST) paid to the Government	Goods and Service Tax (GST) paid to the Government

25. Commercial VSAT SERVICE

S. No.	Previous Provisions	Amended Clause
1	Revenue of pass through nature actually passed on to other service providers. (Operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.	Revenue of pass through nature passed on to other service providers. (operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.
2	Goods and Service Tax paid to the Government	Goods and Service Tax (GST) paid to the Government.

26. INSAT MSSR SERVICE

S. No.	Previous Provisions	Amended Clause
1	Revenue of pass thru nature actually passed on to other service providers. (operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.	Revenue of pass thru nature actually passed on to other service providers. (operator-wise details). Note: Lease/rent charges for hiring of infrastructure not to be deducted.
2	Goods and Service Tax (GST) paid to the Government.	Goods and Service Tax (GST) paid to the Government.

27. GMPCS SERVICE

S. No.	Previous Provisions	Amended Clause
1	PSTN related Call charges passed on to basic, cellular and long distance service provider(s) (operator-wise)	PSTN related Call charges passed on to basic, cellular and long distance service provider(s) (operator-wise)
2	Roaming revenues actually passed on to CMSPs and other GMPCS service providers. (operator-wise)	Roaming revenues actually passed on to CMSPs and other GMPCS service providers. (operator-wise)
3	Goods and Service Tax (GST) paid to the Government.	Goods and Service Tax (GST) paid to the Government.

28. Resale of IPLC SERVICE

S. No.	Previous Provisions	Amended Clause
1	Charges actually paid to other telecom service providers for procurement of bandwidth, last mile connectivity used for provision of end to end IPLC; (Note: Any charges paid for multiplexing, de-multiplexing, billing system and related customer management are not to be deducted.) (Operator-wise) (Copy of agreement to be provided in the first quarter.)	Charges actually paid to other telecom service providers for procurement of bandwidth, last mile connectivity used for provision of end to end IPLC; (Note: Any charges paid for multiplexing, de-multiplexing, billing system and related customer management are not to be deducted.) (Operator-wise) (Copy of agreement to be provided in the first quarter.)
2	Goods and Service Tax (GST) paid to the Government.	Goods and Service Tax (GST) paid to the Government.

29. MNP SERVICE

S. No.	Previous Provisions	Amended Clause
1	Goods and Service Tax (GST) paid to the Government.	Goods and Service Tax (GST) paid to the Government.

30. PMRTS SERVICE

S. No.	Previous Provisions	Amended Clause
1.	PSTN related Call charges actually paid on to other Access telecom service provider	PSTN related Call charges actually paid on to other Access telecom service provider
2	Goods and Service Tax (GST) paid to the Government.	Goods and Service Tax (GST) paid to the Government.

Annexure B: Format for AO

Name of Licensee

Service Area

Financial Year

Quarter

Mapping of Bank Transactions with Invoices – Inter-company Transactions

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
Serial Number	Quarter	IUC Payable to (Name of Licensee Company)	Service Area for which Invoice Raised	Invoice Number	Payable Serial No of Invoice in mapping	Invoice Month and Year	IUC cost as per Operator (payable)	IUC cost passed by operator	Total Service Tax	Total cost	TDS on Cost/Claim	Net cost(Net payable)	Receivable from (Name of Licensee Company)	Invoice Month and Year	Receivable Serial No of invoice in mapping	IUC Revenue including service tax (Receivable)	IUC Cost actually received	TDS on receivable amount	Net Receivable	Amount Payable/Receivable	Net Amount Paid	Net Amount Paid	Cheque No./RTGS etc.	Cheque Date	Pay out bank	Clearing date	Deduction Claimed	S.No. of Bank Statement.	Quarterly Deduction Claimed	Remarks

In case invoice generation is not possible then number of debit or credit note (as the case may be) shall be mentioned in above number.

Authorized Signatory

Statutory Auditor

Annexure C: Format of AG

Name of Licensee

Service Area

Financial Year

Quarter

Mapping of Bank Transactions with Invoices – Intra-company Transactions

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Serial Number	Quarter	IUC payable to (name of license company)	Service Area for which Invoice Raised	Invoice Number	Payable serial no of invoice in mapping	Invoice Month and Year	IUC Cost as per operator (Payable)	IUC Cost Passed by operator	Total Service Tax	Total Cost	TDS on Cost/ Claim	Net Cost (Net payable)	Receiveable from (Name of Licensee Company)	Invoice Month and Year	Receiveable Serial No of Invoice in mapping	IUC Revenue including Service Tax	IUC Cost actually received	TDS on receiveable amount	Net Receiveable	Amount Payable/Receiveable	Net amount Paid	Cheque No. /RTGS etc	Cheque Date	Pay out Bank	Clearing Date	Deduction Claimed	S.No. of Bank Statement	Quarterly Deduction Claimed	Remarks

In case invoice generation is not possible then number of debit or credit note (as the case may be) shall be mentioned in above number.

Authorized Signatory

Statutory Auditor

Annexure D: Format of IR

Name of Licensee
 Service Area
 Financial Year
 Quarter

Proforma for claiming the Pass through charges pertaining to International Roaming during the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39		
Operator Detail		Payable invoice detail														Receivable invoice detail										Netting Position				Payment	1/Receipt Detail		Remarks							
Serial Number	Name of the other operator to whom payment made	Invoice no. / Credit note No.	Payable S. No. of Invoice in mapping	Invoice Date	Invoice Period	SDR to INR Rate	SDR to Foreign currency Rate	Invoice Currency Type	Foreign Currency to INR Rate	Cost Invoice SDR	Invoice amount in (Foreign Currency)	Invoice amount in INR	Invoice amount actually passed (INR)	Invoice No. / Credit Note No.	Receivable S. No. of Invoice in mapping	Invoice Date	Invoice Period	SDR to INR Rate	SDR to Foreign currency Rate	Invoice Currency Type	Foreign Currency to INR Rate	Revenue Invoice SDR	Invoice amount in (Foreign Currency)	Invoice amount in (INR)	Invoice amount actually Receivable(INR)	Net Amount actually Payable(-) / Receivable (+) in INR	Actual Amount Paid / Received in (Foreign Currency)	Actual Amount Paid / Received in INR	Bank Charges in (INR)	Forex gain & loss in INR	Date of Payment / Settlement	DD/ Cheque /Swift Code /Bank Detail	Name of Bank	SI No. in Bank Statement / Certificate	Quarterly deduction claimed	Remarks				

Authorized Signatory

Statutory Auditor

Annexure E: Format of PP

Name of Licensee
Service Area
Financial Year
Quarter

Details of Partly Paid Invoices During the Current Quarter

1	2	3	4	5	6	7	8	9	9 A	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	26A	27	28	29	30
Serial Number	Quarter	IUC Payable to (Name of Licensee Company)	Service Area for which Invoice Raised	Invoice Number	Payable Serial No of Invoice in mapping	Invoice Month and Year	IUC cost as per Operator (payable)	IUC cost passed by operator	Disputed/Withheld balance amount of the invoice	Total Service Tax	Total cost	TDS on Cost/Claim	Net cost (Net payable)	Receivable from (Name of Licensee Company)	Invoice Month and Year	Receivable Serial No of invoice in mapping	IUC Revenue including service tax (Receivable)	IUC Cost actually received	TDS on receivable amount	Net Receivable	Amount Payable/Receivable	Net Amount paid	Cheque No./RTGS etc	Cheque Date	Pay out bank	Clearing date	Date of balance payment	Deduction Claimed	S.No. of Bank Statement.	Quarterly Deduction Claimed	Remarks

Certified that the above details are regarding partly paid invoices, deductions for the balance payment will be claimed in the quarter in which balance payment is made.

Authorized Signatory

Statutory Auditor

Annexure F: Format for AO for ILD Licenses

Name of the Licensee:
 Service Area / License:
 Financial Year:
 Quarter:

Mapping of bank transactions with invoices – Inter Company transactions with domestic and international operators

Sl.No.		Payable										Receivable										Settlement / Payment Details											
1	2	IUC Payable to (Name of Licensee Company) Country for which invoice related										IUC Revenue including Service Tax (Receivable) IUC Revenue actually received (Basic) TDS on Receivable Amount Net Receivable										Actual Paid as per figures appearing in Bank Statement/Certificate Deduction Claimed S.no in Bank Statement											
3	4	5	6	7	8	8	8	9	10	11	12	13	14	15	15	16	17	17	18	19	20	21	21	22	22	23	24	25	26	27A	27	27	27
		A	B		A	B	C							A	B		A	B			A	B	A	B					B	C	D		

** Applicable in case of transaction with international operators*

Annexure G: Timelines for submission of documents and process of deduction verification

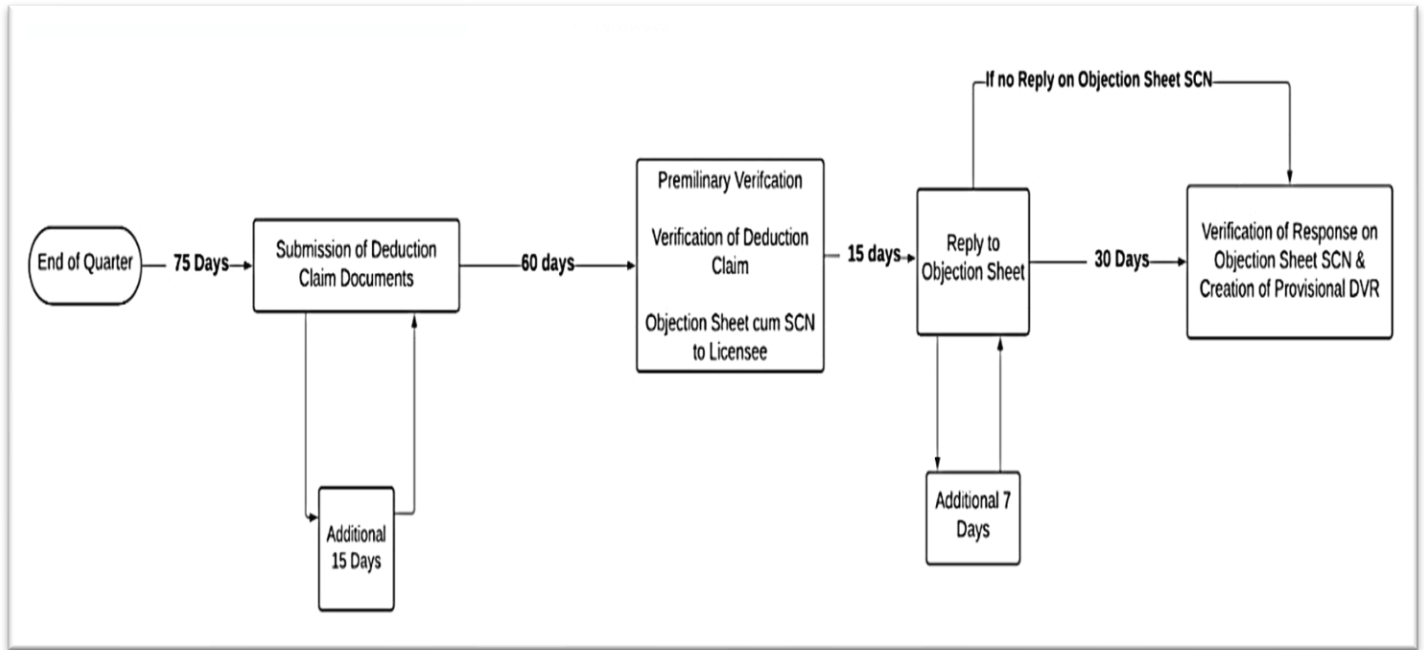


Fig (above): Timeline for preparation of Provisional (Quarterly) DVR

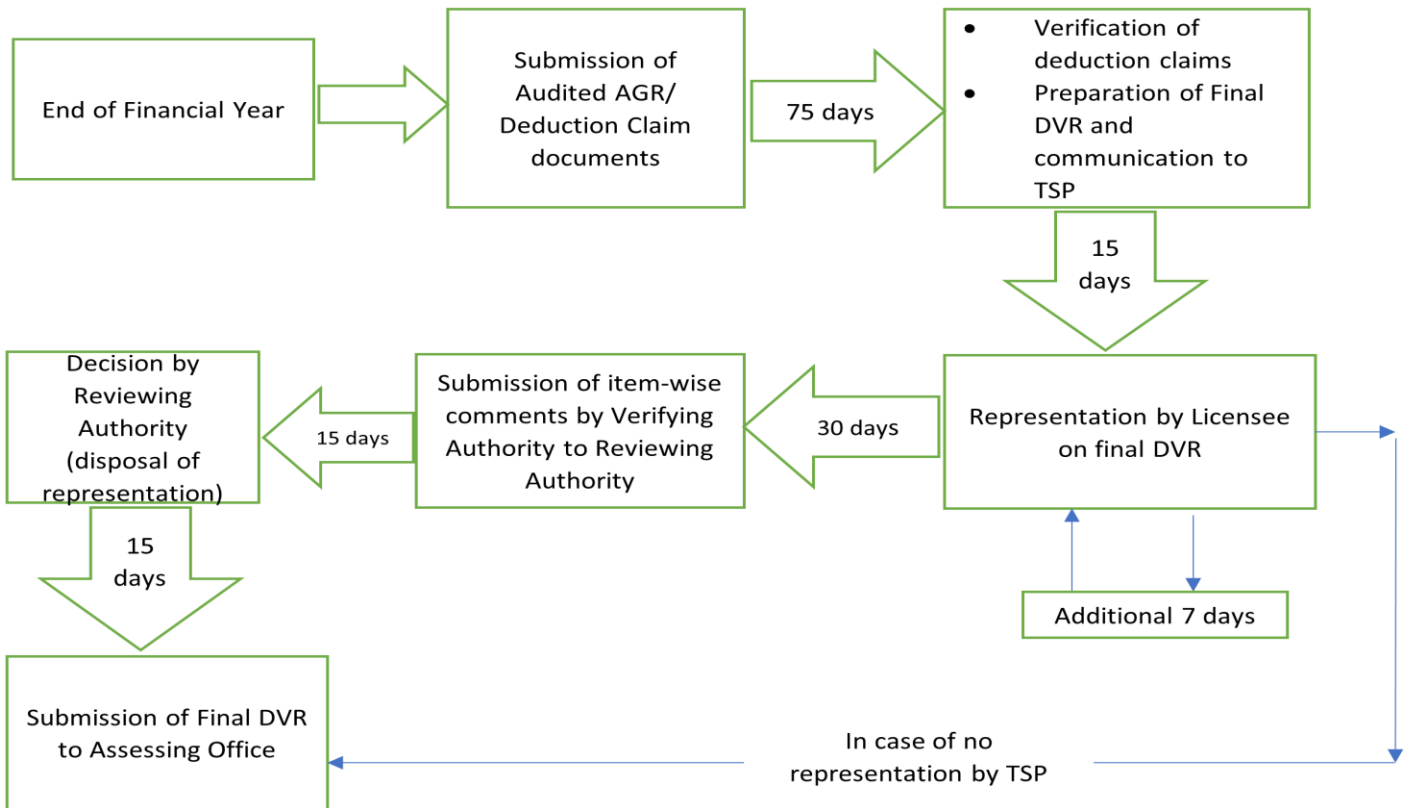


Fig (above): Timeline for preparation of Final DVR

(In case of no representation, Final DVR to be submitted to Assessing Office within 90 days of receipt of Audited Annual documents or 31st December, whichever is earlier)

Annexure H: List of Admissible & Inadmissible Deductions

A: Admissible Deductions:

S.L.	Description of Item	Clarification	Date	Deduction type
1	ADC	1-28/2006/LF	05-07-2007	PSTN
2	Intra Circle Roaming	1-28/2006/LF	15-03-2012	Roaming
3	SMS charges	1-28/3/2013/LF-II(Part-II)	21-10-2013	PSTN
4	SCCP charges	1-28/3/2013/LF-II(Part-II)	04-03-2014	PSTN
5	Toll Free No. charges	1-28/3/2013/LF-II(Part-II)	04-03-2014	PSTN
6	Data Roaming	F.17-20/SSTL/CC/LF-II	21-03-2016	Roaming
7.	Emergency Calls	1-28/2013/LFA-II(Pt.)	24.03.2021	PSTN
8.	Admissibility of payments made by one division of a Licensee to another division of the Company	1-28/2006/LF	05-07-2007	PSTN
9.	3G Intra Circle Roaming Pass Through charges	1-28/2006/LF	01.02.2017	Roaming
10.	ACS (Audio Conference Service) Intra Company Transaction	1-28/2013/LFA-II(Pt.)	23.03.2021	PSTN

The items mentioned above are in addition to items specifically mentioned in the License Agreement i.e. PSTN Charges/Roaming Revenues actually passed on to other operators and Service Tax/Sales Tax/GST actually paid to the Government

B: Inadmissible Deductions:

S.L.	Description of Item	Clarification	Date	Deduction type
1.	Lease Line/Port Charges, Infrastructure sharing charges or any other type of set off (items of expenditure against revenue)	1-28/2006/LF	05-07-2007	PSTN/Roaming
2	Calling Card	1-28/3/2013/LF-II(Part-II)	21-10-2013	PSTN
3	Annual charges for decreasing call rate	1-28/2013/CCAs/LF-II	07-11-2014	PSTN

Annexure I: Format of Objection Report cum Show Cause cum Notice

To
 Authorized Signatory
 -----(Name of Licensee)

No. Dated-

Subject- Discrepancies in deduction claim for the Quarter--- for F.Y.-----

- I am directed to refer to deduction claim submitted by your Company for above mentioned period vide your letter no. dated.
- The details of Claims submitted and objected are mentioned below:

Qtr	Documents submitted			Claim as per Audited/Unaudited AGR			Objected		
	IUC	Roaming	Total	IUC	Roaming	Total	IUC	Roaming	Total

(Details of AO and AG Claim be mentioned separately)

- The details of objected amount with reasons of objections are as under:

Details of objected amounts in respect of PSTN charges / Roaming Charges (to be prepared separately)

S.L. of claim sheet (AO, AG)	Name of operator	Claim amount	Objected amount	Objected TDS amount	Reasons for Objection

- (Please mention here any other objection)
- You are therefore served herewith a Notice and are provided an opportunity to submit additional documents/justification/clarification in respect of objected amount latest by -----(15 days from date of issue of notice) failing which it will be presumed that you have nothing to say in respect of objected amount and the same will be disallowed without any more notice and opportunity.
- Please acknowledge receipt of this Notice immediately.

Deputy Controller of Communication Accounts
 -----Circle-----

Annexure J: Format of Annual Verification Notice to Licensee

To
Authorized Signatory
------(Name of Licensee)

No. _____ Dated— _____

Subject- Information regarding final verification of deduction claim for Financial Year_____

1. The Deduction Verification Report for above mentioned Year has been finalized by the competent authority based on following documents—
 - A. Claim submitted vide your letter dated---- ,----, ----, ----
 - B. Show cause & Objection Statement notice(s) issued by this office vide notice dated- ---,----,---,---
 - C. Reply submitted vide your letter Number dated ----,----,----,----

2. The additional documents/justification/clarification submitted by you have been scrutinized on merit and details of items/amount which have been finally disallowed are mentioned in the enclosed Annexure- ---, ---,---,---,--- along with reasons of disallowance.

3. In case you are not satisfied with any item of disallowance, you may prefer a representation to the Reviewing Authority (Pr. CCA/CCA) within 15 days of the issue of this letter, otherwise in case of no representation to the Reviewing Authority within prescribed period, the Final DVR will be sent to the License Fee (LF) Assessment Authority: -

.....
.....

Enclosed: As above

Deputy Controller of Communication Accounts
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(Format of Annexure for Details of Disallowed items/amounts)

Final Disallowed details in respect of PSTN charges / Roaming Charges
(to be prepared separately for PSTN &Roaming and AO & AG)

S.L. of claim sheet (AO/AG)	Name of operator	Claim amount	Disallowed amount	TDS disallowed	Reasons for disallowance

Note- Total of disallowed amount + TDS should not be more than the claim amount.

Annexure K: Format of Final Deduction Verification Report (DVR)

Report on verification of deduction claimed by licensee through Statement of Revenue and License Fee

Name of Licensee	
License No. and Date	
Service Area	
Rate of License Fees	
Quarter	
Financial Year	

Part I- Summary of Statement of Revenue and License Fee

Sl	Item	Previous Quarter		Current Quarter		Cumulative up to Current Qtr.	
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 Govt.						
(iv)	Sales Tax paid to the Govt.						
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- Revenue Calculation of Revenue Share on the basis of verification of deductions claimed in the
Statement of Revenue and License Fee

Sl	Item			Amount
1	Gross Revenue (Item No. AA)			
2	Deduction claimed in Statement of Revenue & License Fee (Item No. BB)	a	PSTN	
		b	Roaming	
		c	Service Tax	
		d	Sales Tax	
		e	Other	
3	Deduction claimed as per Claim Sheets (AO/AG/PP/IR)	a	PSTN	
		b	Roaming	
		c	Service Tax	
		d	Sales Tax	
		e	Other	
4	Deduction verified as per Supporting Documents	a	PSTN	
		b	Roaming	
		c	Service Tax	
		d	Sales Tax	
		e	Other	
5	Deductions Allowed (Minimum of 2/3/4)	a	PSTN	
		b	Roaming	
		c	Service Tax	
		d	Sales Tax	
		e	Other	
6	Deductions Disallowed (2-5)	a	PSTN	
		b	Roaming	
		c	Service Tax	
		d	Sales Tax	
		e	Other	
7	Revised Adjusted Gross Revenue	(1-5)		
8	Revenue Share/LF Payable for the quarter			
9	Revenue Share/LF paid for the quarter			
10	Short payment of Revenue Share/LF	(8-9)		

Annexure 1 to 52

Annexure No	Letter/OM No	Date	Brief Subject
1	1-28/2006/LF	5-Jul-07	Clarification on Verification of deduction claim
2	1-27/2005/LF	1-Jul-08	Submission of details of deduction claim through quarterly AGR for 2006-07
3	1-28/2006/LF	16-Jul-08	Verification of deduction claim through Quarterly AGR
4	1-27/2005/LF	16-Jul-08	Verification of deduction claim through Quarterly AGR for 2006-07
5	1-28/2006/LF	18-Aug-08	Submission of details of deduction claim
6	1-28/2006/LF	8-Dec-08	Submission of details of deduction claim for 2006-07
7	1-28/2006/LF	6-Aug-09	Verification of deduction claim for 2006-07
8	1-28/2006/LF	22-Apr-10	Verification of deduction claim through Quarterly AGR
9	1-28/2006/LF	13-Aug-10	Non-submission of documents
10	1-28/2006/LF	30-Nov-11	Submission of details of deduction claim along with proof of payment
11	1-28/2006/LF	10-Jan-12	Minutes of meeting Eastern Region
12	1-28/2006-LF-II	15-Mar-12	ICR clarification
13	1-28/2006-LF-II	19-Apr-12	submission of consolidate summary
14	1-28/2006-LF-II	1-Nov-12	Verification deduction claim through Gross Revenue Show Cause Notice
15	1-28/2006-LF-II(Part-II)	8-Jan-13	Providing operator wise details
16	1-28/2006/LF	17-Jan-13	Verification of deduction of PSTN & Roaming charges Role of CCAS
17	1-28/2006-LF-II	2-May-13	Submission of documents for Deduction claim for ILD
18	1-28/2006-LF-II	15-May-13	Submission of details of deduction claim through quarterly AGR
19	1-28/2006-LF-II	24-Jun-13	Submission of details of deduction claim through quarterly AGR
20	1-28/2006-LF-II(Part-II)	28-Jun-13	Clarification on deduction verification
21	1-28/2006-LF-II/NLD	13-Aug-13	Deduction Verification of NLD Operators
22	1-28/2006-LF-II	26-Sep-13	Additional time for submission of documents
23	1-7/2013-LF-II	1-Oct-13	Gross Revenue/AGR
24	17-94/2013/AP/LF-II	21-Oct-13	Clarification of queries by CCA Hyderabad
25	1-28/3/2013/LF-II(Part II)	21-Oct-13	Clarification on SMS/calling card/Emergency Calls/Toll free charges
26	1-28/2006-LF-II	10-Dec-13	Submission of documents in support of deduction claim

27	1-28/3/2013/LF-II(Part II)	4-Mar-14	Clarification on SCCP/Toll charges
28	1-28/2006-LF-II	11-Aug-14	Providing operator wise details
29	1-28/2013/CCAs/LF-II	20-Aug-14	ADC charges
30	1-28/2013/CCAs/LF-II	22-Aug-14	Demand cum show cause notice verification by CCAs
31	1-28/2013/CCAs/LF-II	31-Oct-14	Guidelines for Verification of Deduction Claims by TSPs
32	1-28/2013/CCAs/LF-II	7-Nov-14	Clarification on deduction verification
33	1-28/2006/LF-II/ILD	29-Jun-15	Deduction Verification of ILD Operators
34	1-28/2006/LF-II/NLD	30-Jun-15	Deduction Verification of NLD Operators
35	1-28/2013/CCAs/LF-II	9-Mar-15	Clarification on deduction verification
36	1-28/2006-LF-II	14-Dec-15	Standardization of format for disallowance details
37	F.17-20/SSTL/CC/LF-II	21-Mar-16	Treatment of Data Roaming
38	24-1/2016/LFP-I	1-Jun-16	Clarification on AGR/BG
39	1-28/2013/CCAs/LF-II	26-Jul-16	Signature by authorized signatory
40	1-28/2013/CCAs/LF-II	26-Jul-16	Submission of documents in support of deduction claim
41	24-1/2016/LFP I	27-Jul-16	Allowing deductions claimed under different F.Y
42	19-2/2015-LFA	1-Sep-16	Clarification on IR
43	1-28/2013/CCAs/LF-II	28-Sep-16	Representation against Demand-cum show cause notice
44	24-1/2016/LFP I (Pt)	6-Apr-17	Verification of deductions claimed by NLD operators
45	24-1/2016/LFP I (Pt)	21-Apr-17	Submission of Bank Certificates
46	17-3/2014-15/LFA-Videocon	2-Jun-17	ICR Pass thru Charges Interpretation
47	19-2/2015/	10-Jan-18	Clarification for International Roaming
48	1-28/2006/LF-II	17-Dec-18	Deduction Verification of NLD Operators
49	1-28/2006/LF-II	25-Apr-19	Deduction Verification of ILD Operators

50	1-28/2013/CCAs/LF-II	18-Jul-19	Instructions on Submissions of Deduction Verification Reports by CCA office
51	1-28/2013/LFA-II(Pt.)	23-Mar-21	Guidelines/clarifications towards the deduction verification process
52	1-28/2013/CCA/LFA-I(Pt.)	24-Nov-21	Implementation of DoT guidelines/Clarification dated 23.03.2021

