

No.WFD/1018/2004
Ministry of Communications & Information Technology
Department of Telecommunications
(Wireless Finance Division)
Room No.914, Sanchar Bhavn, 20, Ashoka Road, New Delhi-110001

OFFICE MEMORANDUM

Dated 6th February 2004

To

The Controller of Communication Accounts.

Sub: 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.

Ref: 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, 1.4.2004, 1.7.2004 & 1.10.2004 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 be received.

3.2.1 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.

3.2.2 Quarterly Accounts reconcillation

A reconcillation 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 reconcillation 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. 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 leveled by the Wireless Finance Division (WFD) 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 sue of the cellular spectrum up to 4.4 MHz + 4.4 MHz, an additional 1% spectrum charges for bandwidth up to 6.2MHz + 6.2MHz and a further 1% for bandwidth up to 10MHz + 10MHz. 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 Net works (in frequency band below 10 GHz)

This will be 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 CCAs 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 Division.

- (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.233722222090 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 a 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 Headquaerters, New Delhi when they come from for the meeting of CCAs at Headquarters on 6.2.2004.

8-Licence agreement & Amendments thereof

It must be ensured that the main license agreement and the amendmetns 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, aperiodical inspection of the CCA`s will be conducted by DOT HQrs.

10. CDMA

Orders for the decentralization of collection from CDMA operators will follow later.

Sd/-
(R.Kalyanasundaram)
ADG (WPF)

Copy to :

1. Sr.PPS to Chairman Telecom Commission
2. Sr.PPS to Member(Finance)

No. WFD/1018/2004
MINISTRY OF COMMUNICATIONS & INFORMATION TECHNOLOGY
DEPARTMENT OF TELECOMMUNICATIONS
(Wireless Finance Division)
SANCHAR BHAWAN, ROOM No. 715, 20 ASHOKA ROAD, NEW DELHI 110001

OFFICE MEMORANDUM

Dated 17th February, 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.

Ref : 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.

2. **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.

3. **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)

Copy to :

1. **Sr. PPS to Chairman Telecom Commission.**
2. **Sr. PPS to Member (Finance) / Member (T) / Member (P)**
3. **Advisor (F)**
4. **Wireless Advisor**
5. **Sr. DDG / DDGs, VAS/ LF/FEB/WPF/ACCOUNTS/BS**
6. **JWA(N), WPC Wing, DOT**
7. **Director (TA-I) / Director (LF-I)/ Director (LF-II)/ Director (IC), DOT HQ**

No. WFD/1018/2004
MINISTRY OF COMMUNICATIONS & Information Technology
DEPARTMENT OF TELECOMMUNICATIONS
(Wireless Finance Division)
SANCHAR BHAWAN, ROOM NO. 718,
20-ASHOKA ROAD, NEW DELHI –110001

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 in respect of GSM & CDMA Spectrum.

Reference: O.M. No. WFD/1018/2004 dated 06.02.2004 and O.M. No. WFD/1018/2004 dated 01.03.2005.

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)

Copy to :

1. Sr. PPS to Chairman Telecom Commission.
2. Sr. PPS to Member (Finance) / Member (T) / Member (P)
3. Advisor (F)
4. Wireless Advisor
5. CMD, BSNL

6. **CMD, MTNL**
7. **Sr. DDG / DDGs, VAS / LF / FEB/ WPF / ACCOUNTS / BS**
8. **DDG (CA), BSNL**
9. **GM (F), MTNL, Corporate Office** } With a request to issue suitable instructions
to the circles for paying the quarterly spectrum dues in the respective CCA
offices.
10. **JWA (N), WPC Wing, DOT**
11. **Director (TA-I) / Director (LF-I) / Director (LF-II) / Director (IC), DOT HQ.**

No.1002-1/2005-WFD
Govt. of India
Ministry of Communications & Information Technology
Department of Telecom
(Wireless Finance Division)
Room No.715, Sanchar Bhavan, New Delhi.

Date 29.09.05

Sub:- 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

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 concurrent to open and operate the following sub heads/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:-

Sl. No	Minor Head	Sub Head	Detailed Head
1.	103-Receipts from WPC	01 Mobile Services	01 CDMA (Code Division Multiple Access)
2.			02 GSM (Global System Mobile)
3.		02 Other Service Providers	01 Radio Paging
4.			02 PMRTS (Public Mobile Radio Trunking Service)
5.			03 Internet Service Provider
6.			04 VSAT (Very Small Aperture Terminal)
7.			05 GMPPCS (Global Mobile Personal Communications System)
8.			06 NLDO(National Long distance Operator)
9.			07 ILDO (International Long Distance Operator)

10.			08 IP-I(Infrastructure Provider-1)
11.			09 IP-II(Infrastrure Provider-II)
12.		03 Captive Licenses	01 fixed (Land/Land Mobile HF/VHF/UHF (Commn) (Broadcasting HF)
13			02 fixed (Land) Broadcasting (FM Sound)
14			03 Fixed (Satellite)
15			04 Very Small Aperture Terminal Data, occasional Voice)
16			05 Captive Paging License
17			06 Captive PMRTS (Captive Public Mobile Radio Trunking Service)
18			07 others
19		04 Non network Licenses	01 Aero Mobile Station
20			02 Maritime Mobile Station
21			03 Citizen Brand License
22			04 Import License
23			05 Dealer Possession/Non dealer Possession License
24			06 Demonstration License
25			07 Experimental Licensee
26			08 Others
27		05 Other Miscellaneous Receipts	01 Proficiency Certificate
28			02 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.

Kindly acknowledge receipt of this letter.

Sd/
(P.P.Singh)
ADG(WR)

Copy to

1. All. Sr.CCAs/Controller of Communication Accounts
2. WA, WPC Wing DOT New Delhi
3. PAO (HQ) DOT,New Delhi
4. Director TA I/DOT New Delhi
5. P&T Audit Office, Sanchar Bhavan

**No. WFD/1012/9/WFD/2004-05
DEPARTMENT OF TELECOMMUNICATIONS
SANCHAR BHAWAN, 20 ASHOKA ROAD, NEW DELHI 110001
(Wireless Finance Division) ROOM No. 709,**

OFFICE MEMORANDUM

Dated 17/10/2006

To

The Sr CCA/CCA/Jt CCA

Subject: Maintenance of various records relating to Spectrum charges at CCA end: consolidated order.

Ref :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 be 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 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 Profoma 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)
Ph.011-23036770, Fax-011-23372268**

Encl.As above.

Copy to :

- 1-Sr. PPS to Member (Finance) / Member (T) / Member (P)**
- 2-Advisor (F)**
- 3-Wireless Advisor**
- 4-Sr. DDG / DDGs, VAS/ LF/FEB/WPF/ACCOUNTS/BS**
- 5-JWA(N), WPC Wing, DOT**
- 6-Director (TA-I) / Director (LF-I)/ Director (LF-II)/ Director (IC), DOT HQ**

