

800- 20/ 2010-VAS  
Government of India  
Ministry of Communications & Information Technology  
Department of Telecommunications  
(Access Services Cell)  
Sanchar Bhawan, 20, Ashoka Road, New Delhi – 110 001

Dated: <sup>4th November</sup> September, 2010

Office Memorandum


**Subject: Decentralisation of work relating to imposition of penalty against subscriber verification audit**

This is in reference to the instructions issued on the above mentioned subject vide this office letter of even no. Dated 1<sup>st</sup> June 2010. Various representations from Service Providers and their associations have been received. In this regard, following clarifications are hereby issued:

- (I) The work of imposition of penalty for subscriber verification cases shall be carried out by the TERM Cells as detailed in the instructions dated 01.06.2010.
- (II) The TERM Cells shall conduct the CAF audit as per the instructions issued from time to time.
- (III) After the Audit of CAFs for a particular month is completed by the TERM Cell, the initial report of the CAF audit shall be forwarded by ADG/Director TERM Cell to the respective service providers indicating the findings about the compliance/non-compliance.
- (IV) The Service Providers may be given one week's time to discuss the cases of non-compliance for correction in CAF Audit Report in view of status of CAF/documents available with 'original CAF'.
- (V) The initial report may be modified by the ADG/Director TERM Cell where the service provider does not agree with the audit report and such modifications may be done in accordance with the best judgement of ADG/Director TERM after considering the 'original CAFs' and proper interpretation of instructions, if any.
- (VI) The report thus finalised shall be jointly signed by the Service Provider and TERM Cell.
- (VII) The showcause notice may be issued to the Service Provider for payment of penalty as per findings of jointly signed report.
- (VIII) The showcause notice shall have the amount of penalty to be paid based on the total number of non-compliant CAFs giving 21 days time to deposit the penalty amount. One week's time may be given to the Service provider in the showcause notice to make representation to DDG TERM Cell, if any, against the findings of non-compliance in the jointly signed report.



- (IX) In case, the Service Provider makes the representation to the DDG TERM concerned, the representation shall be examined by the DDG TERM and decided preferably in two weeks time. For the examination of the representation, DDG TERM may take assistance of the ADG/Director TERM not involved in the issue of showcause notice for the CAF Audit, wherever available.
- (X) The decision of DDG TERM shall be final. The amount of financial penalty shall be deposited as per decision of DDG TERM within one week from the date the decision of DDG TERM or within 21 days from issue of showcause notice, whichever is later.

  
(Vinod Kumar)  
Director (AS-II)

**To:**

1. Heads of all TERM Cells
2. All CMTS/ UAS Licensees

**Copy to:**

1. DDG (Security-TERM) DOT.
2. DDG (LF), DOT.
3. Director (AS-I)/(AS-III)/(AS-IV), DOT.
4. COAI/AUSPI.
- ✓ 5. Director (IT): For arranging uploading of this letter on the website of DoT.