

**GOVERNMENT OF INDIA  
MINISTRY OF COMMUNICATIONS  
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA  
STARRED QUESTION NO.397  
TO BE ANSWERED ON 14<sup>TH</sup> DECEMBER, 2016**

**UNDERREPORTING OF REVENUE BY TELECOM OPERATORS**

\*397. SHRI RAJESH KUMAR DIWAKER:  
SHRI KIRTI VARDHAN SINGH:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government has issued demand-cum-show-cause notices to private telecom companies regarding under-reporting of revenue in the recent past;
- (b) if so, the details thereof along with the details of revenue to be recovered from each of them, company-wise;
- (c) whether some telecom companies have moved court in this regard; and
- (d) if so, the details thereof and the present status of the cases?

**ANSWER**

**THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &  
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS  
(SHRI MANOJ SINHA)**

- (a) to (d) A Statement is laid on the Table of the House.

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**STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.397 FOR 14<sup>TH</sup> DECEMBER, 2016 REGARDING “UNDERREPORTING OF REVENUE BY TELECOM OPERATORS”.**

(a) Yes Madam, Department has issued demand-cum-show cause notices to six private telecom companies on the basis of C & AG Report No. 4 of 2016, for four financial years i.e. 2006-07 to 2009-10 for a total amount of Rs. 29474 crores on account of License Fee (LF).

(b) Details of demand cum show cause notices issued to private telecom companies for LF based on C &AG Report No 4 of 2016 are furnished below;

**(In Rs. Crores)**

<b>Operator</b>	<b>LF (O/S)</b>	<b>Interest</b>	<b>Penalty</b>	<b>Interest on Penalty</b>	<b>Total</b>
Bharti Airtel Group	1768	3903	853	1638	8162
Aircel Group	108	269	45	68	490
Tata Teleservices	1213	2683	632	1190	5718
Idea Cellular	629	1260	303	516	2708
Reliance Group	1668	3597	841	1596	7701
Vodafone Group	1104	2039	504	1049	4695
<b>Total</b>	<b>6490**</b>	<b>13751</b>	<b>3178</b>	<b>6055</b>	<b>29474</b>

\*\*This figure is the revised LF demand which includes Rs 3794 Crore of LF demand already raised by DoT on account of Regular and Special Audit Demands.

The LF is calculated as a percentage of Adjusted Gross Revenue. The definition of Adjusted Gross Revenue is under litigation since 2003. The matter is presently pending in the Hon'ble Supreme Court. As per orders of the Hon'ble Supreme Court, the Department has been barred from taking any coercive step to recover the outstanding dues.

(c) & (d) Yes, One of the TSPs i.e. M/s RCL (Reliance Communications Limited) has challenged these demands in Telecom Disputes Settlement and Appellate Tribunal (TDSAT) vide petition no. 71 of 2016. Matter is pending in TDSAT.

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