GOVERNMENT OF INDIA MINISTRY OF COMMUNICATIONS DEPARTMENT OF TELECOMMUNICATIONS

LOK SABHA UNSTARRED QUESTION NO. 3876 TO BE ANSWERED ON 11TH DECEMBER, 2019

ADJUSTED GROSS REVENUES

3876. DR. KAKOLI GHOSH DASTIDAR:

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether any court had made any judgment on the issue of Adjusted Gross Revenue (AGR) of telecom companies in the year 2002 and if so, the details thereof;

(b) whether the recent judgment on AGR by the Supreme Court has upheld the defunction of AGR by Department of Telecommunication and if so, the details thereof;

(c) the present status of AGR; and

(d) whether the said matter would severely impact the economy and if so, the details thereof and the steps proposed by the Government?

ANSWER

MINISTER OF STATE FOR COMMUNICATIONS, HUMAN RESOURCE DEVELOPMENT AND ELECTRONICS & INFORMATION TECHNOLOGY (SHRI SANJAY DHOTRE)

(a) No, Sir.

(b) & (c) The Hon'ble Supreme Court in CIVIL APPEAL NOS. 6328 - 6399 OF 2015 [UNION OF INDIA Vs. ASSOCIATION OF UNIFIED TELECOM SERVICE PROVIDERS OF INDIA ETC.] pronounced its judgment dated 24.10.2019 wherein the appeals filed by the Department of Telecom were upheld and the appeals filed by the Telecom Service Providers were dismissed. The Supreme Court has upheld the definition of the Gross Revenue and Adjusted Gross Revenue as enumerated in the License Agreement.

(d) The Cellular Operators Association of India vide their letter dated 29.10.2019 has sought urgent intervention of the Government to avert such an unprecedented impact on the financial health of their member companies. However, one of the members of the Cellular Operators Association of India i.e. Reliance Jio Infocom Ltd has submitted a divergent opinion on the said matter.

The Government has decided to provide relief to financially stressed telecom service providers (TSPs) by permitting deferment of spectrum auction payment instalments for the next two years (2020-21 and 2021-22).
