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: 3rd February, 2011

To

All CMTS Licensee(s)
All UAS Licensee(s)

Subject: Scheme of Financial Penalty for violation of terms and conditions of License Agreement in respect of Subscriber Verification Failure Cases.

Ref: No. 800-52/2008-VAS-III(Part) Dated 24.12.2008

This is with reference to the instructions issued on the above mentioned subject vide this office letter Dated 24.12.2008 referred above. It has been observed that some of the CMTS/UAS Licenses have misinterpreted the applicability of the penalty slab in the above table. It is to mention that there is no scope for misinterpretation. The issue has been clarified time and again at various meetings. However, it is being observed that some of the Licensees are still misinterpreting it. Therefore, it is being clarified again.

It is reiterated that the penalty is to be calculated as per rate applicable in the slab relating to the percentage of correct subscriber verification for all the failed CAFs in the Audit.

For example, if the sample size of the CAF Audit for a month is 1000 and the number of compliant cases is 870, then the CAF audit compliance shall be 87%. The penalty slab applicable as per letter dated 24.12.2008 for all the failure cases shall be @ Rs. 10,000/. The total penalty shall be calculated after multiplying the total no. of failed cases i.e. 130 with the applicable penalty i.e. Rs. 10,000. Thus the total penalty imposed for the above CAF audit shall be 130 X 10000 i.e. Rs. 13,00,000/-.

Any defaults in payments of penalties as per schedule given in demand notes will be dealt as per license condition and Service Providers will be responsible for all consequences.

3/2/11
(Vinod Kumar)
Director (AS-II)

स. उ. म. निदेशक (रेगुलेशन्स)
Jt. Sy. Dy. General Regn.
डा. सं./Dy. No. 157
दिनांक/Date 14/2/11

Copy to:

1. Secretary TRAI
2. DDG(Security TERM), DOT
3. All DDsG TERM Cell DOT
4. Director (AS-III)/Director (AS-IV), DOT
5. COAI/AUSPI