Government Notice No. 201 of 2022

THE INFORMATION AND COMMUNICATION TECHNOLOGIES ACT

Regulations made by the Minister, after consultation with the Information and Communication Technologies Board, under section 48 of the Information and Communication Technologies Act

- **1.** These regulations may be cited as the Information and Communication Technologies (Licensing and Fees) (Amendment No. 2) Regulations 2022.
- **2.** In these regulations –

"principal regulations" means the Information and Communication Technologies (Licensing and Fees) Regulations 2003.

- 3. Regulation 2 of the principal regulations is amended
 - (a) by inserting, in the appropriate alphabetical order, the following new definitions, the full stop at the end of the definition of "initial fee" being deleted and replaced by a semicolon
 - "gross turnover" means –
 - (a) the retail and wholesale revenue generated from the provision of information and communication services under a licence held by a public operator before any deduction for expenses, taxes, discounts, returns and offsets of any kind; but
 - (b) does not include revenue from taxes and charges collected for, and on behalf of, the Government;

"operation year" means, in respect of the validity period of a licence, the period between the effective date and the first anniversary date or any 2 successive anniversary dates;

"retail revenue" means revenue generated by a public operator from the provision of information and communication services to final end-users;

(b) by adding the following new definition –

"wholesale revenue" means revenue generated by a public operator from the provision of access to its facilities and services by a person for the purpose of providing information and communication services and revenue from interconnection.

- **4.** The principal regulations are amended by inserting, after regulation 15C, the following new regulation
 - **15D.**(1) Any new International Long Distance (ILD) licensee shall, prior to being issued with his appropriate licence
 - (a) pay, for his first year of operation, a flat annual licence fee of 100,000 rupees; and
 - (b) furnish a bank guarantee of 500,000 rupees for a minimum period of 3 years and renewable throughout the duration of the licence.
 - (2) For each subsequent year, any new or existing ILD licensee shall, for the purposes of these regulations, furnish to the Authority a true and certified copy of its audited financial accounts relating to his business operations under his licence for the last operation year, not later than 90 days after the anniversary date.
 - (3) The audited financial accounts required under paragraph (2) shall include information relating to the gross

turnover generated by the ILD licensee in providing the services specified in his licence.

- (4) (a) Notwithstanding paragraph (2), where the annual licence fee becomes due under regulation 7(1), the ILD licensee shall pay to the Authority 100,000 rupees or 0.8 per cent of audited gross turnover of the penultimate operation year, whichever is higher, but not exceeding 2 million rupees.
- (b) The licence fee paid pursuant to subparagraph (a) shall, in accordance with subparagraph (c) or (d), be adjusted once the required licence fee due would have been computed based on the audited financial accounts furnished pursuant to paragraph (2).
- (c) Where the required licence fee is more than the amount paid under subparagraph (a), the ILD licensee shall pay the difference to the Authority within one month from the date of being claimed failing which a surcharge of 10 per cent on the amount due shall be charged.
- (d) Where the required licence fee is less that the amount paid under subparagraph (a), the Authority shall reimburse the amount paid in excess to the ILD licensee in consideration of any outstanding payment.
- (5) Where an ILD licensee fails to submit its audited financial accounts pursuant to paragraph (2), the prescribed maximum licence fee shall become due and demandable.
- **5.** The Schedule to the principal regulations is amended, in "CATEGORY 1", by revoking item C.04 and replacing it by the following item –

C.04 ILD:

To establish and operate an International Long Distance (ILD) network and service to the public

or 0.8% of audited gross turnover of the previous operation year, whichever is higher, but not exceeding

2 million rupees

6. These regulations shall be deemed to have come into operation on 1 July 2022.

Made by the Minister, after consultation with the Information and Communication Technologies Board, on 5 August 2022.

BY AUTHORITY: GOVERNMENT PRINTING DEPARTMENT, LA TOUR KOENIG