Telecom companies including Bharti Airtel, Vodafone Idea and Tata Teleservices Limited (TTSL) have filed review petitions with the Supreme Court requesting for waivers on interest, penalties and interest on penalties.

The apex court, in its ruling on October 24, 2019 had rejected the claims made by the telecom operators on the issue of AGR's definition stating that the telcos had agreed to pay revenue share on all income, as part of a migration package in 1999. Levies in the telecom sector are based on a percentage of their AGR. The Department of Telecommunications (DoT) had contended that the telecom companies' AGR also included income from dividends and revenue from sale of handsets bundled with services, an argument that the companies disputed.

In its recent order, the apex court has allowed DoT to collect the AGR related arrears from the operators within three months.

The demand by DoT includes interest, penalty and interest on penalty on the outstanding amount, which amounts to Rs 926.41 billion. Of this, the disputed actual demand is Rs 231.89 billion, levy of interest of Rs 416.50 billion, penalty of Rs 109.23 billion and interest on penalty of Rs 168.78 billion. Same formula will be applicable while collecting spectrum usage charge (SUC). This will lead to a payout of another Rs 500 billion by the telcos, taking the total to Rs 1,400 billion.

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