

Government of India
Ministry of Communications
Department of Telecommunications
Sanchar Bhawan, Ashoka Road, New Delhi-110001
(Carrier Services-III Cell)

No. 10-54/2010-CS-III (Vol. II)

Dated: 08.10.2021

To

All the ILD Licensees (Other than UL)

Subject: Amendment to the ILD License (Other than UL) for rationalization of Bank Guarantees - regarding.

In pursuance to Condition 12.1 of the ILD license, the Licensor hereby amends the ILD license agreement as under:

| Existing clause | Amended clause |
|---|---|
| <p>7.2 FINANCIAL BANK GUARANTEE</p> <p>The LICENSEE Company shall submit Financial Bank Guarantee (FBG) of Rs. 20 crores within one year from the Effective Date of licence agreement or before the commencement of service whichever is earlier in the prescribed Proforma (ANNEXURE-E) given in the Licence Agreement. The FBG shall be valid for a period of one year and shall be renewed from time to time for such amount as may be directed by the Licensor. The amount of FBG shall be equivalent to the estimated sum payable for two quarters towards licence fee.</p> | <p>7.2 FINANCIAL BANK GUARANTEE</p> <p>The LICENSEE Company shall submit Financial Bank Guarantee (FBG) of Rs. 20 crores within one year from the Effective Date of licence agreement or before the commencement of service whichever is earlier in the prescribed Proforma (ANNEXURE-E) given in the Licence Agreement. The FBG shall be valid for a period of one year and shall be renewed from time to time for such amount as may be directed by the Licensor. The amount of FBG shall be equivalent to the 20% of estimated sum payable for two quarters towards licence fee.</p> |

2. The PBGs and FBGs of existing Licensee shall be revised to **20%** of the current total amount held by the Licensor subject to the conditions in para 3 below.
3. The rationalization of Bank Guarantees shall not be applicable in following cases:
 - a. Bank Guarantees furnished or required due to any Court order or Bank Guarantees which are subject matter of any Litigation, will continue. For example, Bank Guarantees for which the Licensor has been restrained to encash by a Court order, or Bank Guarantees related to One Time Spectrum Charges (OTSC) under litigation.



- b. Bank Guarantees of Licensees who are currently under Corporate Insolvency Resolution Process (CIRP) or related litigation, or those Licensees who have closed operations (undergoing liquidation/ liquidated).
 - c. Bank Guarantees submitted in respect of past spectrum auctions for securitization of deferred spectrum instalments, including PBGs, will continue to be held by Licensor without any reduction.
4. In case of multiple Bank Guarantees for all the licenses/ authorizations held, the Licensee shall have an option to submit Bank Guarantee(s) centrally at one place instead of Licensed Service Areas (LSAs) wise.
 5. This amendment comes into effect with **immediate** effect.
 6. This amendment shall be part and parcel of the ILD License Agreement and all others Terms & Conditions shall remain unchanged.

Pradeep Kumar
08/10/21

(Pradeep Kumar)
Director (CS-III)

For and on behalf of the President of India
Ph. No. 23036348

Copy to:

1. Secretary (TRAI).
2. DGT, DoT (HQ)/CGCA.
3. Advisor (Economics)/ Wireless Advisor/ Sr. DDG (TEC).
4. DDG(AS)/DDG(DS)/DDG(Satellite)/DDG (LFP)/ DDG (LFA)/ DDG (SPPI)/ DDG(SA)/ DDG(WPF)/ DDG(A/C) for kind information please.
5. Director (IT) may kindly arrange to upload this letter on the website of DoT.