

File No. 815-66/2021-SAT/1
Government of India
Ministry of Communications
Department of Telecommunications
(Satellite Division)
20, Ashoka Road, New Delhi – 110001

Dated 08th October, 2021


To,

All INSAT-MSS Reporting Service Licensees

Subject: Amendment in the INSAT-MSS Reporting Services License Agreement (INSAT-MSSR) for rationalization of Bank Guarantee, change in interest rate, penalty, interest on penalty on delayed payment of License Fee or any other dues - reg.

As per the Condition 5, Part-I of License Agreement for provision of INSAT-MSS Reporting Services, the Licensor reserves the right to modify at any time the License, if in the opinion of the Licensor it is necessary or expedient to do so in public interest or in the interest of the security of the State or for the proper conduct of telegraphs. In pursuance of this condition, the Licensor hereby amends/appends the following in the License Agreement for provision of INSAT-MSS Reporting Services:

Existing Clause	Amended Clause
Schedule II- Terms and conditions Part III- Financial Conditions 17. Schedule of Payment of Annual License fee and other dues 17.5 Any delay in payment of LICENCE fee, or any other dues payable under the LICENCE beyond the stipulated period will attract interest at a rate which will be 4% above the one year Marginal Cost of Lending Rate (MCLR) of State Bank of India existing as on the beginning of Financial Year (namely 1 st April) in respect of the license fee or any other dues pertaining to said Financial Year. The interest shall be compounded monthly and part of the month shall be reckoned as a full month for the purposes of calculation of interest. A month shall be reckoned as an English calendar month.	Schedule II- Terms and conditions Part III- Financial Conditions 17. Schedule of Payment of Annual License fee and other dues 17.5 Any delay in payment of LICENCE fee, or any other dues payable under the LICENCE beyond the stipulated period will attract interest at a rate which will be 2% above the one year Marginal Cost of Lending Rate (MCLR) of State Bank of India existing as on the beginning of Financial Year (namely 1 st April) in respect of the license fee or any other dues pertaining to said Financial Year. The interest shall be compounded annually. A part of the month shall be reckoned as a full month for the purposes of calculation of interest. A month shall be reckoned as an English calendar month.
17. Schedule of Payment of Annual License fee and other dues	17. Schedule of Payment of Annual License fee and other dues



08/10/2021

<p>17.8 In case, the total amount paid on the self assessment of the LICENSEE as quarterly LICENCE fee for the 4 (four) quarters of the financial year, falls short by more than 10% of the payable LICENCE Fee, it shall attract a penalty of 50% of the entire amount of short payment. This amount of short payment along with the penalty shall be payable within 15 days of the date of signing the audit report on the annual accounts, failing which interest shall be further charged as per terms of Condition 6.5. However, if such short payment is made good within 60 days from the last day of the financial year, no penalty shall be imposed.</p>	<p>Stands deleted</p>
<p>18. BANK GUARANTEES</p> <p>18.1 Financial Bank Guarantee : The LICENSEE shall required to furnish a Financial Bank Guarantee (FBG) of Rs. two lakhs or of an amount equivalent to six months license fee whichever is higher, valid for at least one year and to be maintained for the entire period of the License Agreement. The format of FBG is at Annexure-IV. The FBG will be encashed for violation of any of the terms and conditions of the License Agreement.</p>	<p>18. BANK GUARANTEES</p> <p>18.1 Financial Bank Guarantee : The LICENSEE shall required to furnish a Financial Bank Guarantee (FBG) of Rs. Forty thousand or of an amount equivalent to six months license fee whichever is higher, valid for at least one year and to be maintained for the entire period of the License Agreement. The format of FBG is at Annexure-IV. The FBG will be encashed for violation of any of the terms and conditions of the License Agreement.</p>


2. 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.

3. 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.

4. This amendment comes into effect with from 01.10.2021 and will be applicable to the dues which arise from the operations of the Licenses after the said date.


 08/10/2021

5. This amendment shall be part and parcel of the INSAT-MSS Reporting Services License Agreement and all others Terms & Conditions shall remain unchanged.


08/10/2021
(Raj Kumar Jha)

Assistant Director General (Satellite-II)
For and on behalf of the President of India
Ph. No. 23710248

Copy to:

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