



# **PRESENTATION FOR ANNUAL ISP CONFERENCE**

FINANCIAL COMPLIANCE OF LICENSE  
AGREEMENT, LIFE CYCLE MANAGMENT  
OF LICENSES, PHYSICAL- DIGITAL  
SUPPORT SYSTEM FOR LICENSES



**COMPLIANCE**

**FINANCIAL  
COMPLIANCE  
OF LICENSE  
AGREEMENT  
BY ISP  
LICENSES**

**8% of AGR (inclusive of 5% USO levy)**

**Paid service area/ license wise**

**LF e-payment to be made through SARAS**

**LF subject to a minimum of 10% entry fee (from 2nd year of authorization)**

**Any delay in payment beyond stipulated time leads to levy of interest (=MCLR +2%)**

## **LICENSE FEE PAYMENT**

**Pr. CCAs/ CCAs vested with responsibility of assessing and collecting LF**

| <b>Quarter</b>     | <b>Last Date for making Quarterly LF payments (to avoid levy of interest)</b>                      |
|--------------------|--|
| <b>Apr-Jun Q1</b>  | <b>15th July</b>   |
| <b>July-Sep Q2</b> | <b>15th October</b>  |
| <b>Oct -Dec Q3</b> | <b>15th January</b>  |
| <b>Jan-Mar Q4</b>  | <b>25th March (estimated, subject to minimum of LF payable in 3rd Qtr. as per self-assessment)</b> |

# QUARTERLY & ANNUAL DOCUMENTS SUBMISSION

| Quarterly Document Submission  | Annual Document Submission (within 7 days of signing of Audit report)                                | Mode of Submission            |
|--|--|-------------------------------|
| Affidavit as provided at Annexure -A of ISP chapter in license agreement                 | Audited Quarterly statement of revenue share and license fee   | e-filing through SARAS portal |
| Statement of Revenue share and License Fee Separately for each service and service area. | Audited Annual accounts  |                               |
|  | Reconciliation Statement between figures appears in Quarterly statements and audited annual accounts |                               |

---

## **BANK GUARANTEES : SUBMISSION, RENEWAL & REVIEW**

**REQUIREMENT**

**VALIDITY**

**REVIEW OF  
BANK  
GUARANTEES**

**AMOUNT OF  
BANK  
GUARANTEES**

**TO BE ISSUED  
BY**

**PURPOSE**

# LICENSE FEE ASSESSMENT

|                     | Prior to 01.10.21                             | w.e.f. 01.10.21  |
|---------------------|---|--|
| Basis of assessment | Determination of AGR as per License agreement | Determination of ApGR and AGR (Taking into account exemptions) |
| Interest            | Interest on Delayed payment                   | Interest on delayed payment                                    |
| Rate of Interest    | MCLR + 4%                                     | MCLR + 2%  |
| Compounding         | Monthly                                       | Annually   |
| Penalty             | Applicable                                    | Not Applicable   |
| Interest on Penalty | Applicable                                    | Not applicable   |

Non Telecom/I&B  
license revenue  
exempted

# सरस

## Revenue Management System



LOGIN

-  Home
- About Us ▾
- Key Features and Benefits ▾
- Dashboard
- Contact Us
- Training



**NEW** Revamped SARAS Helpdesk/helpline has been launched. Kindly check Contact us.

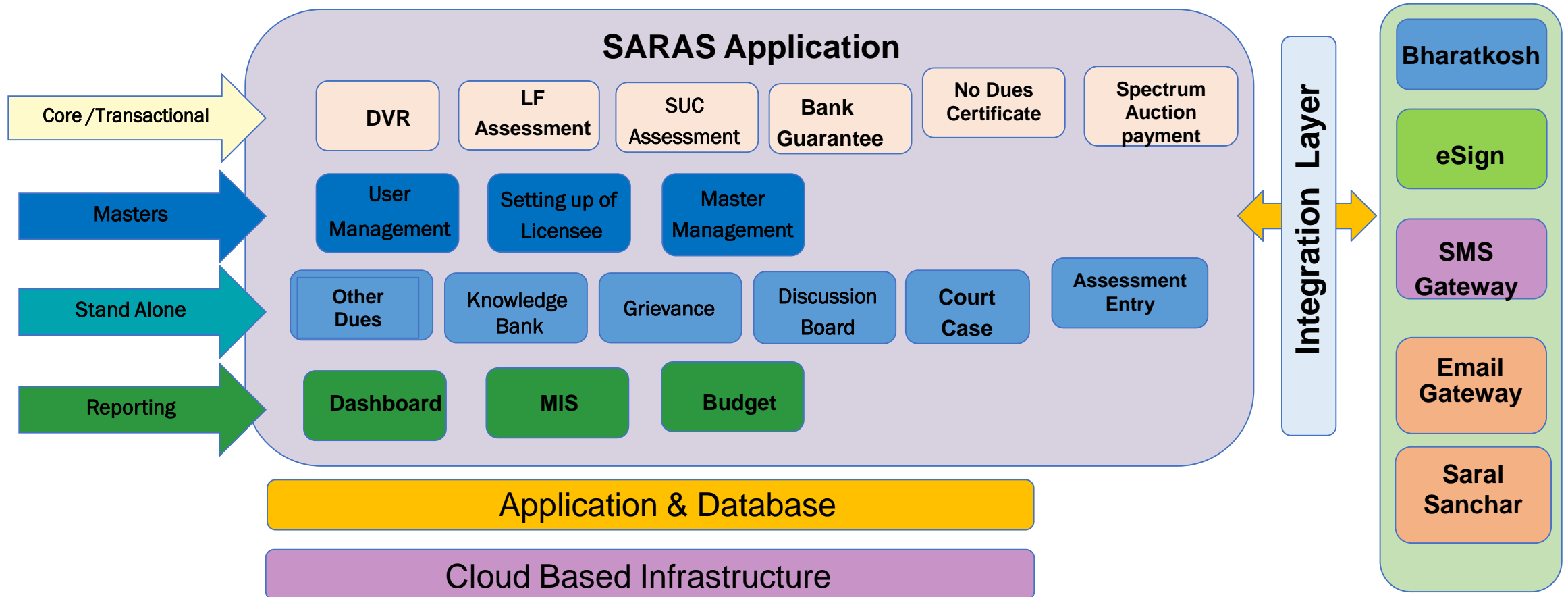


# ***SARAS FROM LICENSEE'S PERSPECTIVE***

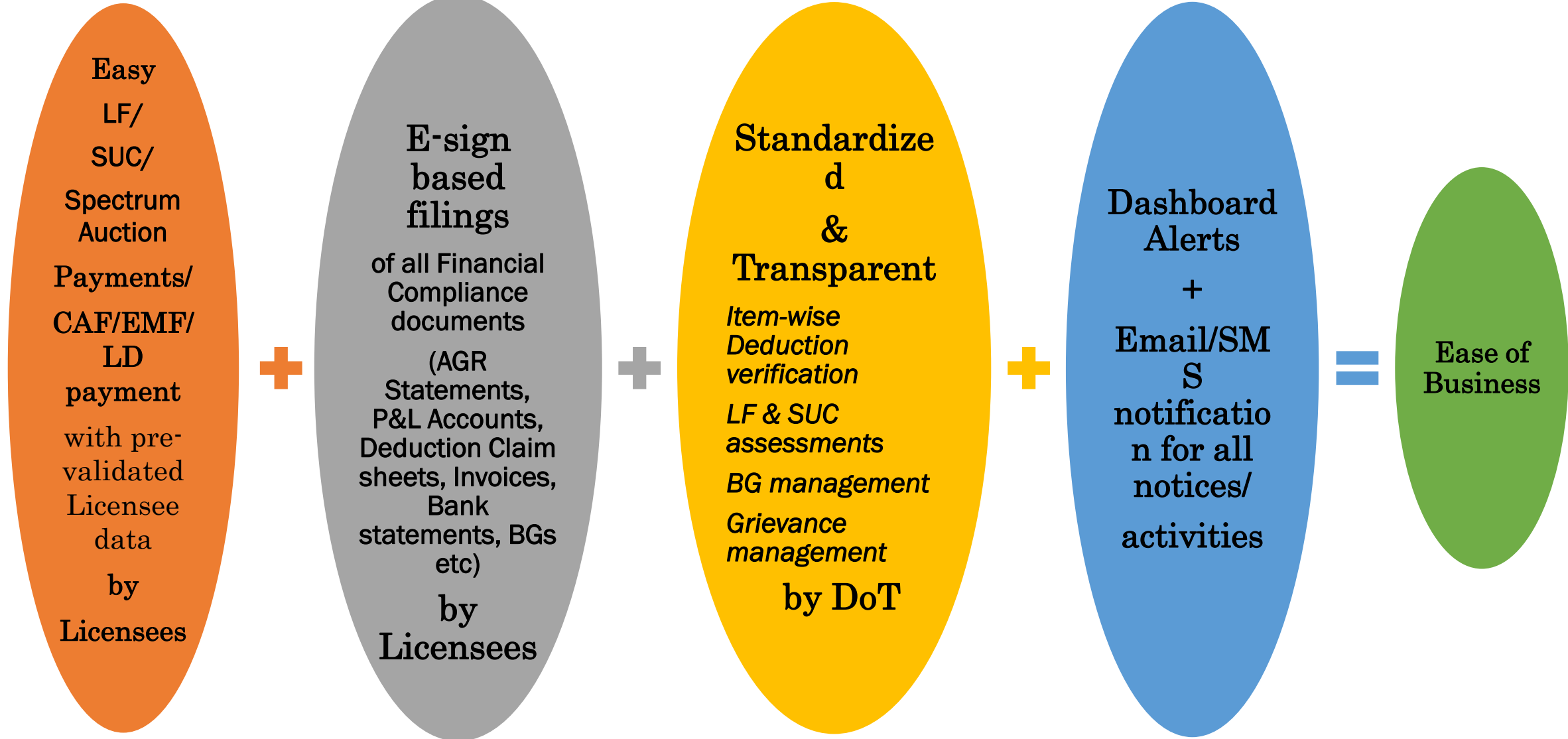
- What is SARAS portal?
- What are the modules of SARAS?
- How can Licensees' avail benefit of SARAS?
- A Brief walk through to the SARAS Modules



**Multi-stakeholder, modular, customizable & scalable system, implemented from FY 2020-21** to ease, standardise & digitize the Financial Compliance Structure i.e payment, document submission, assessment and reporting of telecom revenue and related ancillary processes across the life cycle of a licensee



# EASE OF BUSINESS FOR LICENSEES IN SARAS



# BENEFITS OF SARAS

1

## Standardized

- ▶ **Rules/Orders/Guidelines** built into the business logics and processes
- ▶ **Minimising manual effort and paperwork** – online DVR/LF& SUC Assessments with eSign based notices/alerts sent through e-mail/SMSs
- ▶ **Online repository** of Rules, Orders, Guidelines, Court decisions

2

## Transparent

- ▶ **Online filing and storage** of all documents, related to AGR, Deduction Claim, BG, Representations etc .
- ▶ **Online Deduction Claims and Verification** – reduction of arbitrariness and variations across CCAs – reduction in representations/litigations
- ▶ **Real time monitoring** of LF/SUC assessments, demand notices, bank guarantees, outstanding payments etc
- ▶ **Dashboard alerts** for online status tracking
- ▶ **Audit trail** of all the activities performed by the users

3

## Efficient

- ▶ **Timely, standardised and accurate** LF & SUC assessments
- ▶ **Seamless integration** between assessment related DVR>LFA>SUC modules
- ▶ **Non AGR based license assessments** also built in (INSAT – MSSR, CMRTS, CUG-VSAT)
- ▶ Seamless integration with **Bharatkosh** – auto updates of payment status
- ▶ **SMS & Email alerts** for status update

4

## Participative

- ▶ **Direct participation by Licensees in SARAS** – Online compliance and communication between industry and DoT users – smoother traceable communication & better department-industry interaction
- ▶ **Online submission and response** to representations/grievance by operators
- ▶ **Implementation of RBAC (Role Based Access Control)** – User rights definable for every role, roles can have as many users as required – Flexibility for DoT/CCA/TSPs to have different number of verticals and levels

# SECURITY



## Security Audit

SARAS system is certified by STQC, the Audit Certification Authority under MeitY



## GIGW Audit

Security Audit process carried out by GIGW is under progress for the SARAS portal



## E Sign secured

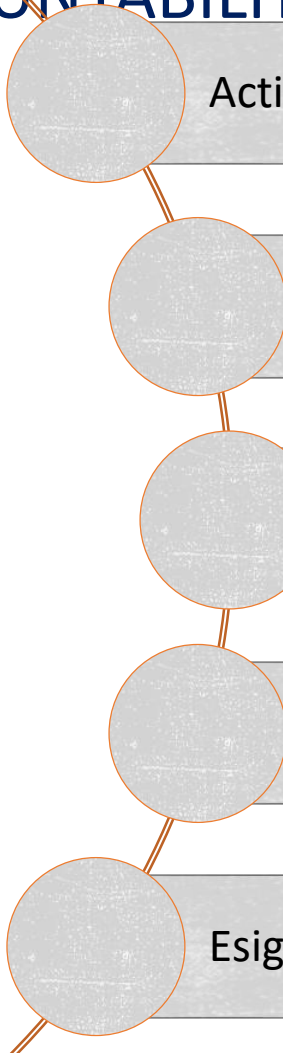
Compliance documents are submitted using eSign



## Secured hosting

SARAS is hosted in a secured private cloud environment

# ACCOUNTABILITY



Actionable pending items on user Dashboard after login (based on user role)

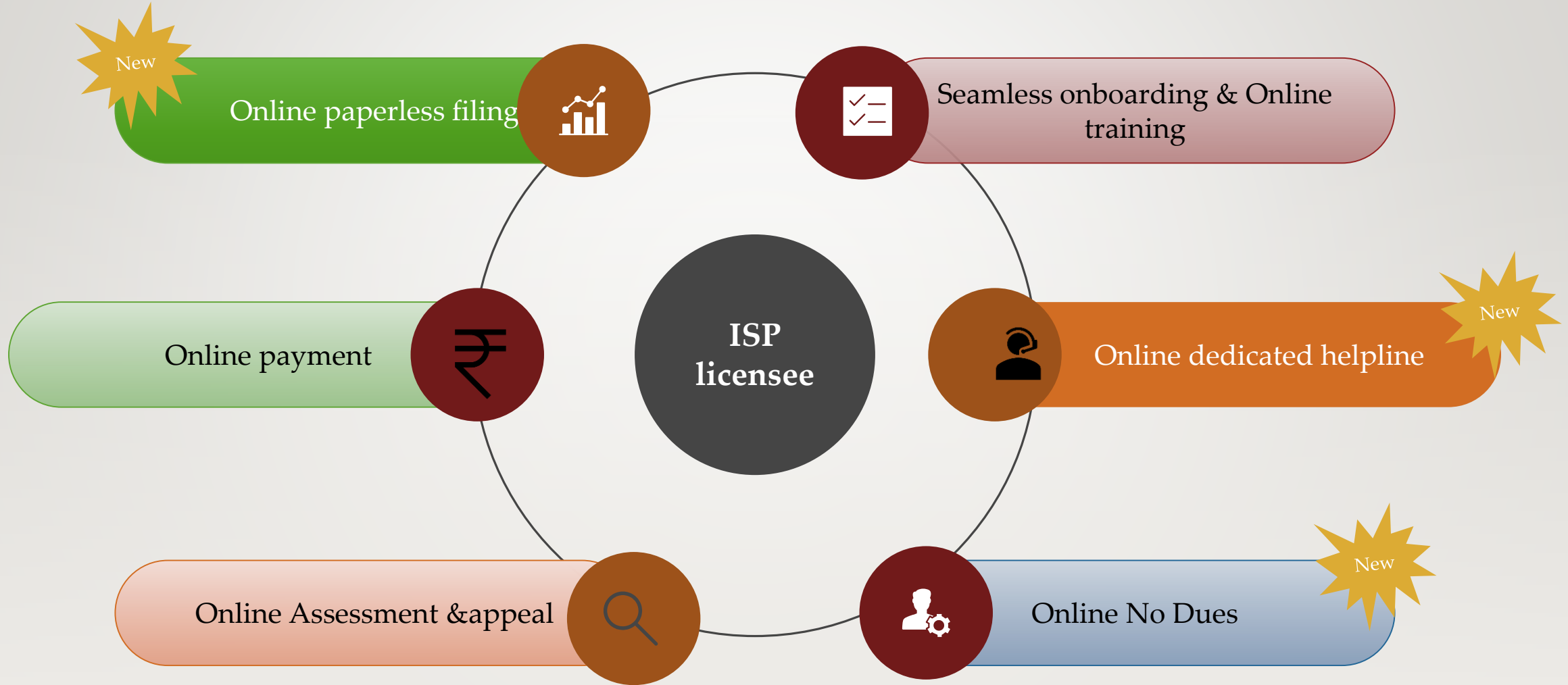
Maker & Checker user for Licensee for each individual license/Authorization (Two Level Check)

Multi level user in CCA/DoT office for each action (Minimum two and Maximum 5)

Esign based document submission from Licensees e.g. AGR, Deduction Claim etc

Esign based notice Issuance from CCA/DoT to Licensee e.g LF Demand Notice, BG Notice etc

# SARAS Licensee at the focus



# Easing Financial Compliance for ISP licensees



5900 LF transactions for FY 2021-22 and 6350 LF transactions for FY 2022-23 have been made

For 1085 Licenses in FY 2021-22 and 1550 Licenses in FY 2022-23, AGR Filing has been done



For 820 Licenses, online assessment for FY 2021-22 has been availed



View/Pay Penalty/LD Notice via SARAS

New

Dedicated Licensee helpline  
[Support.saras-dot@gov.in](mailto:Support.saras-dot@gov.in)  
From April 2023

Dedicated Licensee Helpline 011-23372044 launched from April 2023



# CCA OFFICES FACILITATING FIN. COMPLIANCE



Over 100 Telecom meets and  
Telecom Outreach Prog. held in  
last one Year in 27 CCA offices



# LICENSEE SUPPORT AND FACILITATION



**GRIEVANCE  
REDRESSAL  
THROUGH  
GREIVANCE  
MODULE IN  
SARAS**



**APPELLATE  
AUTHORITY AT  
CGCA**



**QUARTERLY  
TELECOM MEETS**



**TELECOM  
FACILITATION  
CENTRES**



**KNOW YOUR  
LICENSEE FORM  
(KYL)**



**CONTACT CCA  
OFFICES  
SARAS Website  
CGCA Website**



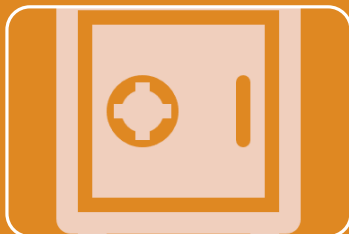
# Upcoming Upgrades



Unified Portal for SARAS and SARAL SANCHAR  
Common Login  
Common Dashboard



Upgraded Alerts and MIS  
Facilitating better user experience



Upgraded BG experience including option of  
e-BG

# THE WAY AHEAD



Timely payments and disclosure to avoid interest payment



Timely renewal of BGs



Participate in Quarterly Telecom meets(Hybrid) to stay updated



Facilitate each other to improve internet penetration



Feedback on further reforms/issues faced be sent on regular basis



Get in touch with SARAS helpdesk or CCA for any query/feedback/suggestion



## COMMON ERRORS OBSERVED

1. Non Up dation of UTR: Offline challan created and payment made through NEFT/RTGS, but fail to update UTR in “manage payments”. Payment completed only after generation of GAR-6 i.e., payment receipt.
2. Uploading of Annual Document for LF Assessment: Annual AGR is/are uploaded without verifying physical AGRs and the amounts are differed in many times. And also not uploading Annual audited financials. All annual documents needs to be uploaded after closing financial year on SARAS portal. Last date for uploading of annual documents is 7th October.
3. Payment of Shortfall/ previous years LF: Any short fall payments / need make previous year LF Payments, please use the yearly shortfall window for making payment.
4. Wrong entry of dates: The date of signing of auditor’s report filled is not correct due to which document has to be rejected.
5. Minimum LF: Minimum LF is applicable from second year
6. Operators should follow time schedule for paying Quarterly LF and documents submission failing which attract interest.
7. Similarly audited documents like AGR, P&L Account, Balance Sheet, Reconciliation Statement etc. should be submitted on time
8. Most of the Licensees do not provide supporting vouchers and audited sales / purchase summary (incase of VNO License) against their deduction claim.
9. Licensees presumes that if AGR is NIL there is no need to submit AGR whereas they have to submit



## **PAYMENTS COMMON ERROR OBSERVED**

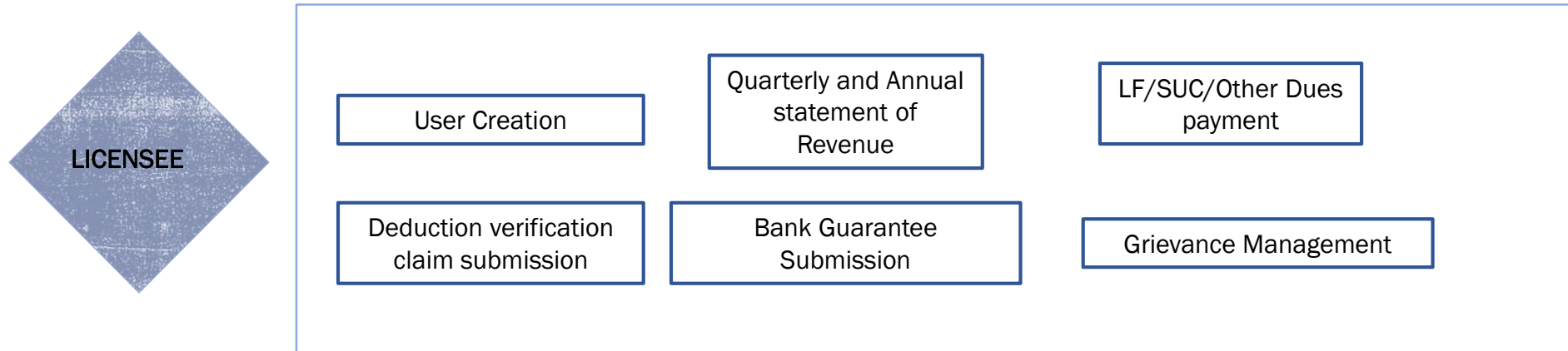
1. A few Operators do not submit AGRs in prescribed proforma and modify the same on their own wish, which is not acceptable.
2. Revenue & deduction amounts should be filled up properly against related columns.
3. GST amount not shown in GR, but claimed as deduction which is not acceptable.
4. Auditor Signature & Stamp must be affixed on each page of Audited AGRs.
5. Grievances: Grievances must be submitted via SARAS portal only.



## BG COMMON ERROR OBSERVED

1. Most of the Operators do not follow the conditions contained in License Agreement regarding renewal of BGs in one month advance without any notice of DoT.
2. BGs renew / extension letter must be printed and submitted with prescribed stamp fee as per Government Order.
3. In case BG is encashed, fresh BG must be submitted within 15 days otherwise License may be cancelled.
4. Even after expiry of license, BGs must be renewed till an order for releasing the BGs, is issued from DoT Hqr. Bank Guarantees

# BROAD PROCESS FLOW OF LICENSE FEE ASSESSMENT

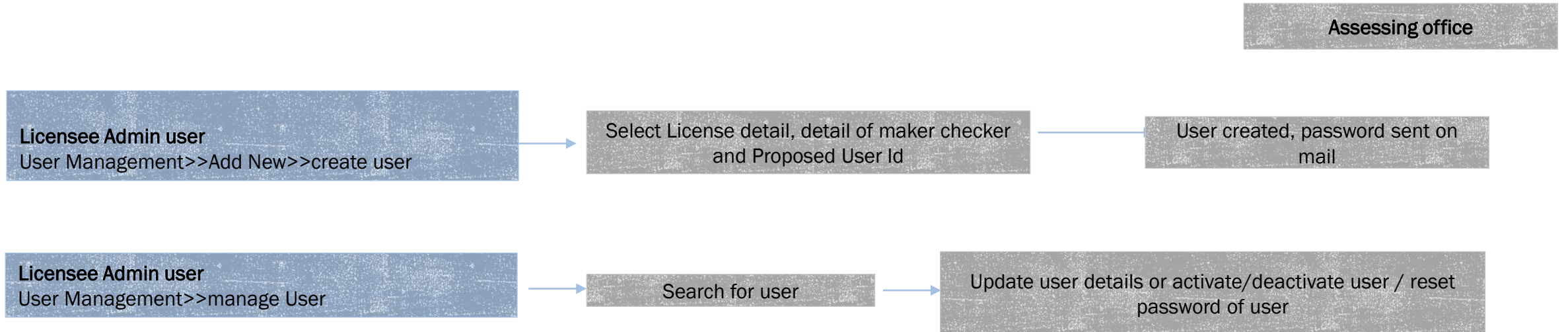


# USER MANAGEMENT MODULE

- For new licensees, once the license Signing is completed, signed license agreement is uploaded by respective DOT office. Following which data is automatically migrated to SARAS.
- The said data is verified and validated and designation based Admin User for licensee is created and Rolled out.
- During this process, the details of licenses held by licensee and Bank Guarantees submitted by licensee is submitted.
- After onboarding, the admin user needs to create user ids for Maker and Checker for each license held by it.
- **Name based IDs should not be created and Only Designation based IDs are to be created.**



# USER CREATION



On first Login, resetting of password will be prompted.



## **LF ASSESSMENT MODULE**

- License Fee Assessment (LFA) module will provide a platform to Licensee user to submit the **Quarterly Statement of Revenue and License Fee and Affidavit signed by Authorized Signatory** along with its supporting documents and make the License Fee payment in online / offline mode on quarterly basis for self-assessment basis.
- Using this module, licensee can also submit **Audited Statement of Revenue and License Fee & Auditors Report on the statement of Revenue and LF and Annual Financial Statement and Reconciliation statements.**

# QUARTERLY STATEMENT OF REVENUE

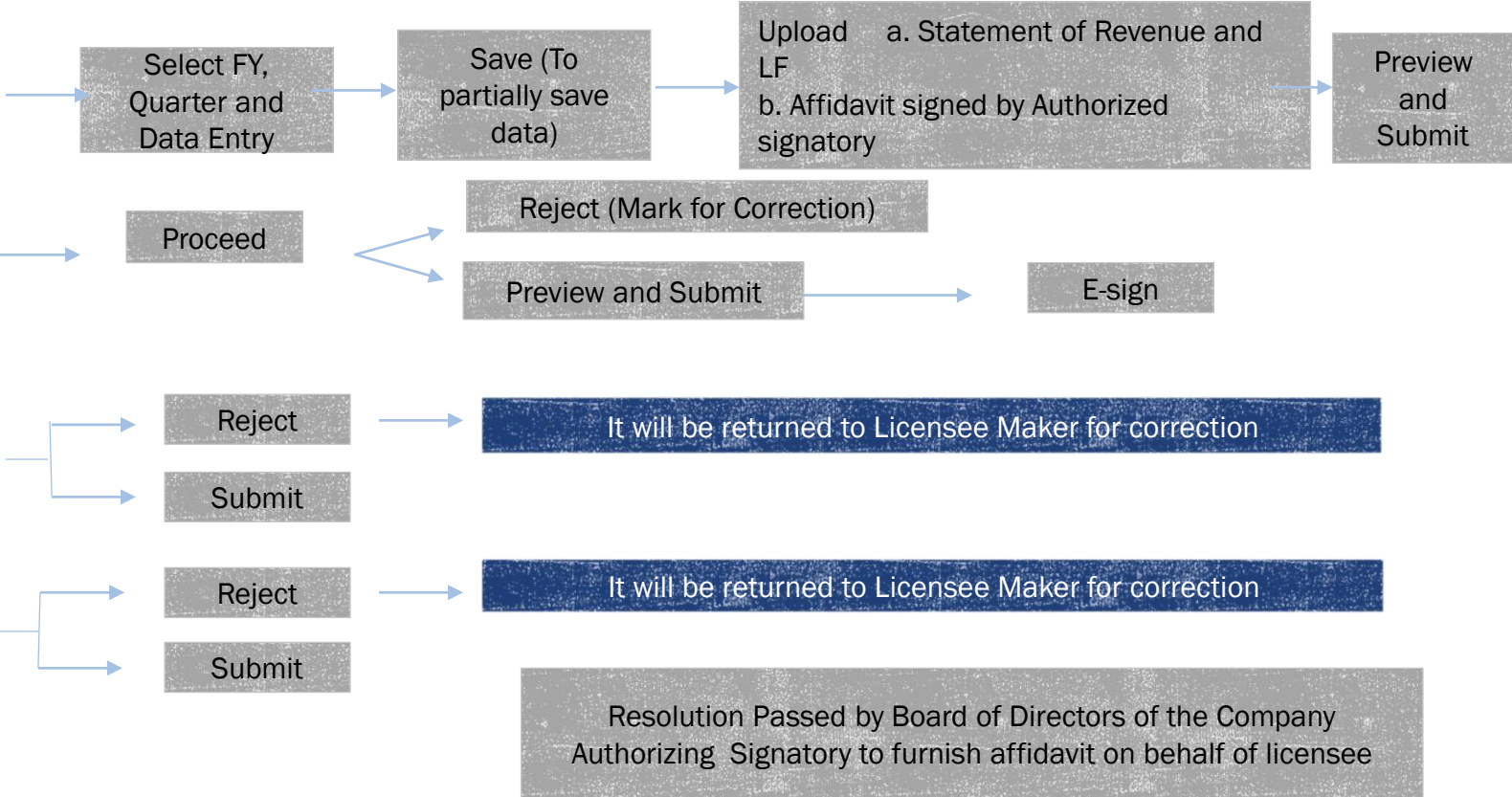
Operating office

**Licensee Maker**  
 License Fee Assessment >> Statement of Revenue >>  
 Quarterly Statement of Revenue Entry

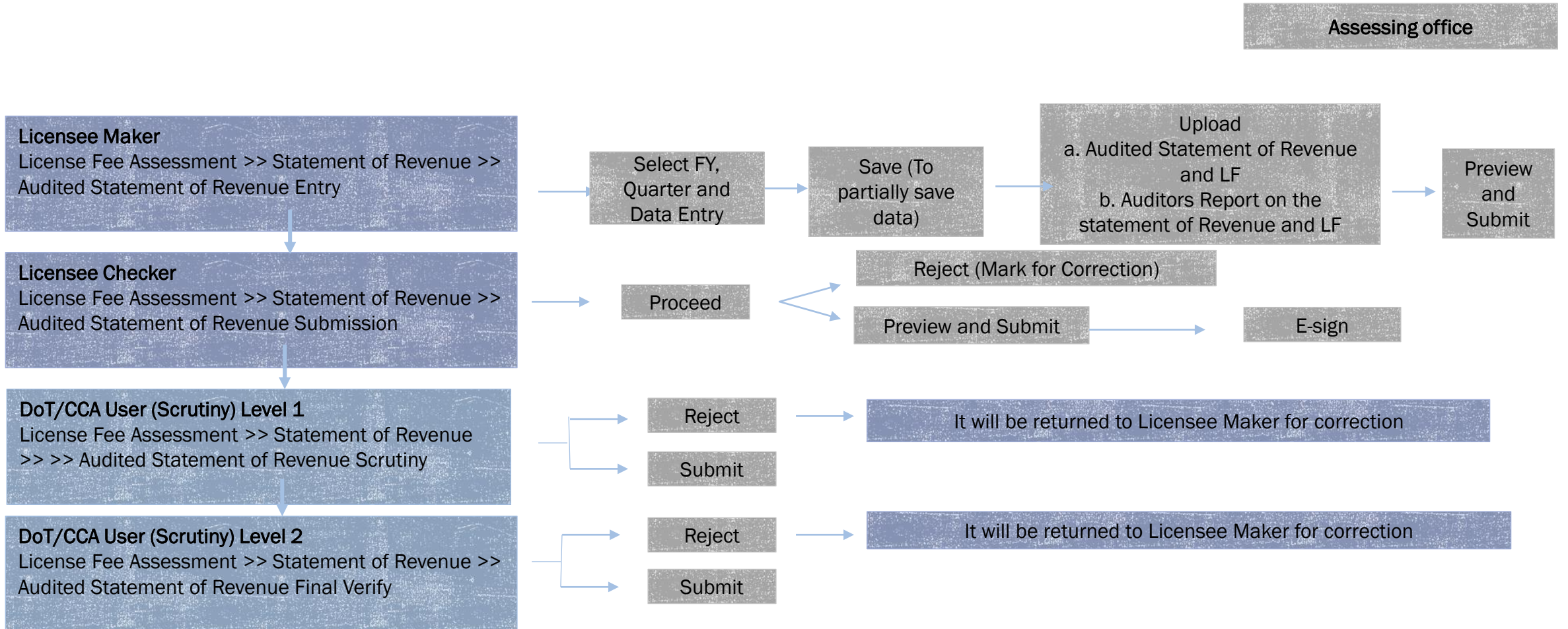
**Licensee Checker**  
 License Fee Assessment >> Statement of Revenue >>  
 Quarterly Statement of Revenue Submission

**DoT/CCA User (Scrutiny) Level 1**  
 License Fee Assessment >> Statement of Revenue >>  
 >> Quarterly Statement of Revenue Scrutiny

**DoT/CCA User (Scrutiny) Level 2**  
 License Fee Assessment >> Statement of Revenue >> >>  
 Quarterly Statement of Revenue Final Verify



# AUDITED STATEMENT OF REVENUE



# SUBMIT AUDITED DOCUMENTS

Licensee Admin  
License Fee Assessment >> Audited Documents >> Submit  
Audited Documents

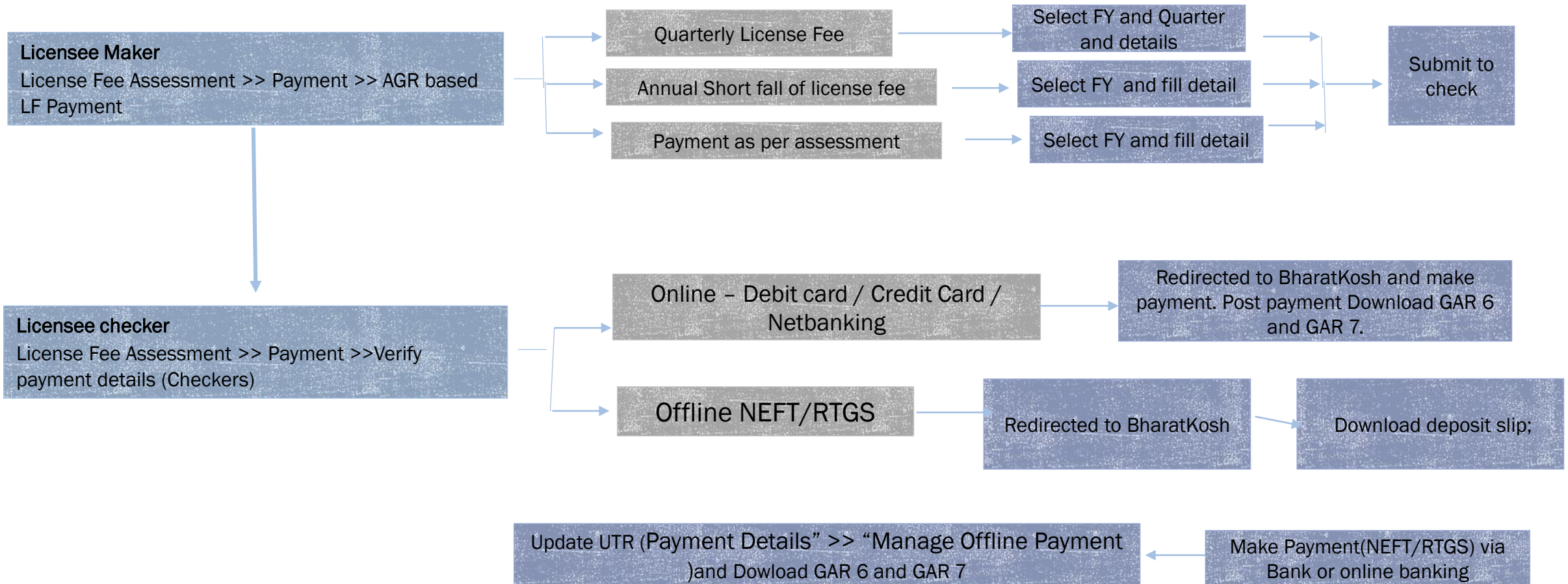
Upload of

- Annual Financial statement
- Reconciliation statement
- Reconciling Gross Revenue in statement of Revenue and LF with the Revenue as declared in Annual Financial statement(pdf may be upload rather than feeding)

Submit

E-sign

# LICENSE FEE PAYMENT



## LICENSE FEE PAYMENT - MAKER

- Select payment for the following types
  - Quarterly License Fee (for regular quarterly payments)
  - Annual Shortfall of LF (for short payment of previous FY)
  - Payment as per Assessment (for payment as received demand notice)
- SARAS will display the payable amount in case AGR is already submitted else user can fill the payable amount and proceed for payment
- In case of annual short fall of LF and payment as per assessment, SARAS Will display the AGR based LF or assessment based LF. However, while making payment amount till interest as on date of payment should be updated/edited and payment made to avoid future interest liability.
- Click on “Submit” button. Payment goes to “Checker” user login for review and payment

## LICENSE FEE PAYMENT – ONLINE MODE

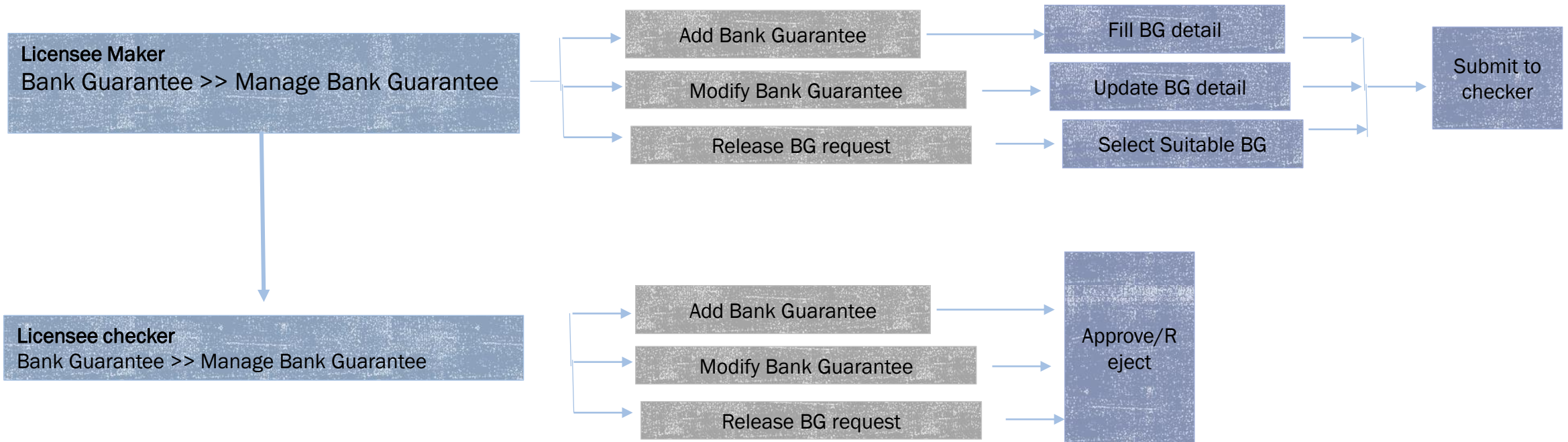
- Select “Online – Debit card / Credit Card / Netbanking”, SARAS will automatically navigate to “Bharatkosh” Payment gateway portal
- Make the required payment in “Bharatkosh”
- Successful payments will display under “License Fee Assessment” >> “Payment” >> “View Payment Details”
- Once the payment is successful, SARAS will generate GAR6 & GAR7 for the payment
- GAR 6 & GAR 7 of all the payment will be available under “Payment Detail”>> “View All Payment Details”



## LICENSE FEE PAYMENT – OFFLINE MODE

- Select “Offline NEFT/RTGS” and proceed, user will navigate to Bharatkosh
- Review the details on Bharatkosh portal and proceed
- Download the Deposit Slip from Bharatkosh Portal License
- Review all the details of Deposit Slip
- Make the payment through NEFT and RTGS and get the UTR number against the URN no
- Update the Bank UTR number in SARAS for the URN
- Select "Payment Details" >> “Manage Offline Payment”, select the URN and fill the UTR and Date of payment, SARAS will generate the provisional receipt of the payment
- Once the payment is verified by Bharatkosh, SARAS will generate GAR6 & GAR7 for the transaction

# BANK GUARANTEE





**THANK YOU**

