

No 1-12/2016/LFP-I
Government of India
Ministry of Communications & IT
Department of Telecommunications
(LF-Policy wing)
Sanchar Bhawan, New Delhi-110001

Dated: 30.06.2016

To

All Pr CsCA./CsCA

Sub: Release of Bank Guarantee in case of migration/renewal of old ISP license under UL -
regarding.

Internet Service Providers Association of India and Licensee companies are consistently representing to DoT for the release of the old Bank Guarantees of the ISP licensee companies consequent upon migration/renewal of their old ISP licenses under Unified License (UL).

2. DoT has deliberated the issue of release of BGs with respect to the relevant conditions of the license agreement which includes the set-off clause, clause related to surrender/termination of license, Performance Bank Guarantee clause and other Financial conditions of the license agreement. It is also noted that the licensee company has also submitted an undertaking during signing of the Unified License which takes care of the dues related to the past period till the signing of the license agreement. Further, the set-off clause also stipulates that any amount recoverable from the licensee under any contract between the licensor and licensee may be adjusted or deducted against any amount due to the licensee which includes the security/Bank Guarantee of any other contract/license agreement also.

3. After due consideration and deliberation on the issue keeping in view all the extant orders/guidelines/license agreement, it has been decided that the Bank Guarantees of licensees who have migrated/renewed their old ISP licenses under the Unified License (UL) may be released/refunded since the licensees have already submitted an undertaking alongwith the signing of the Unified License.

This issues with the approval of competent authority.

prady
30/6/16
Director (LFP-I)

Copy to:-

1. PPS to Secretary (Telecom).
2. PPS to Member (F), Telecom Commission.
3. PPS to Member (T), Telecom Commission
4. All Sr DDsG/DDsG of DoT HQ.
5. Director (LFP-II), DoT (HQ)
6. Internet Service Providers Association of India (ISPAI), 612-A, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019.

7. NIC, DoT for uploading on the DoT website.