

Annexure -1

Salient Points of BSNL USOF agreement pertaining to Broadband Kiosks

- 1 Following are the Key provisions in the agreement with USOF pertaining to the setting up of Kiosks by BSNL
 - 1.1 As per the agreement with USOF clause 1.2.1, BSNL is free to adopt self sustainable Commercial / franchisee model for the Kiosk.
 - 1.2 **Rollout requirements:** USOF has mandated certain rollout requirements for the kiosks as furnished below:
 - 1.2.1 BSNL shall set up at-least one internet kiosk per TEN DLSAMs, ensuring geographical distribution of at least one kiosk in each SDCA, by the end of the 2nd year of signing of the Agreement, progressively to reach up to 28, 672 Kiosks (one Kiosk per DSLAM) by the end of the fifth year of the Agreement.
 - 1.2.2 The relocation of a kiosk is allowed in case of demand from the public on account of their accessibility or non-usage for a prolonged period.
 - 1.3 **Mandatory requirements of Kiosk:** USOF has mandated certain key requirements as part of setting up of the Kiosk viz.
 - 1.3.1 Display board at each Kiosk as per the design approved by USOF.
 - 1.3.2 The hourly internet browsing charges at Kiosk shall not exceed Rs. 5/- per hour.
 - 1.3.3 Throughput of each of the Broadband connection provided under the agreement shall be atleast 512 Kbps always on.
 - 1.3.4 The kiosks provided shall have atleast one workstation with facility of Internet browsing, taking printouts, scanning of documents.
 - 1.3.5 The kiosks shall have the capability to support broadband applications such as video chat, video conferencing, telemedicine and tele-education etc.
 - 1.4 **Quality of Service** As per the agreement, BSNL has to ensure the following quality of service parameters:
 - 1.4.1 Overall contention ratio should be better than 10:1.
 - 1.4.2 The services from the Kiosk shall be available to the general rural public preferably from 8 A.M. to 4 P.M.
 - 1.4.3 Arrangement shall be made for testing of Kiosks on fortnightly basis.
 - 1.4.4 Arrangement shall be made for reporting/ booking faulty Kiosks.
 - 1.4.5 BSNL shall be responsive to the complaints lodged pertaining to the Kiosk. History sheet shall be maintained for each installation, statistics and analysis on the overall maintenance status.
 - 1.4.6 Record shall be kept for performance monitoring of the Kiosk.
 - 1.4.7 BSNL shall keep record of faults, rectification reports and other related details in respect of services rendered to the users.
 - 1.4.8 USOF may carry out performance test either directly or through designated monitoring agency at any time during the validity of the agreement.

1.5 **Subsidy payment:** As per the agreement, the provisions for subsidy payment are furnished below:

- 1.5.1 The payment towards the subsidy shall be received by BSNL in form of equated quarterly installments for 3 years from the date of installation or till the validity of the agreement, whichever is earlier.
- 1.5.2 The connections/kiosks that are closed permanently either on account of surrenders, shifts out of the local exchange area or non-payment by the customers shall be eligible to receive the equated annual subsidy support from USOF from the date of installation till the date on which they are closed.

1.6 **Penalty Provisions:** Certain penalty provisions have also been kept pertaining to the performance of the Kiosks viz.

- 1.6.1 If the QoS is not met, the administrator may issue notice to improve the QoS within stipulated time, failing which subsequent subsidy payment shall be stopped.
- 1.6.2 The kiosks that remain faulty for more than 7 days in a quarter, shall not be reckoned for the purpose of disbursement of full equated quarterly subsidy from USOF and subsidy payable shall be reduced proportionately for the total number of days the kiosks remains faulty during the quarter: Provided where the kiosks remain faulty for forty-five days or more during the quarter, no equated quarterly subsidy for the entire quarter for that connection or kiosk shall be disbursed
- 1.6.3 LD in case of delayed rollout: For the kiosks that are provided within 30 calendar days of the expiry of the relevant period from the effective date, the Administrator shall accept the services without levy of the L.D charges. For the shortfall in providing the required number of rural broad band kiosks after the stipulated period, the Administrator shall recover liquidated damages at the rate of 2.5% of annual equated subsidy for those Kiosks for each calendar month of delay or part thereof, subject to a maximum of 10% of the annual equated subsidy payable for those kiosks.