

41/c 4/c

AGREEMENT
FOR
SUBSIDY DISBURSEMENT TOWARDS
PROVISION OF WIRE-LINE BROADBAND
CONNECTIVITY IN RURAL & REMOTE AREAS
FROM EXISTING RURAL & REMOTE
TELEPHONE EXCHANGES

UNDER
UNIVERSAL SERVICES OBLIGATION FUND
THE INDIAN TELEGRAPH (AMENDMENT) RULES, 2006

—
No. 30-160-8/WIRELINE-BB/2006-USF DATED 20/01/2009

UNIVERSAL SERVICE PROVIDER: BSNL

TOTAL PAGES - 357

GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS & IT
DEPARTMENT OF TELECOMMUNICATIONS
OFFICE OF THE ADMINISTRATOR (USF)
20, ASHOKA ROAD, NEW DELHI-110 001, INDIA

[Signature]

[Signature]

[Signature]

AGREEMENT

FOR

PROVISION OF WIRE-LINE BROADBAND CONNECTIVITY IN RURAL & REMOTE AREAS

This Agreement is entered into on the 20th day of January, 2009 by and between the President of India acting through **Shri. Arun Agarwal, Director (BB) USOF**, Department of Telecommunications (DoT), Sanchar Bhawan, 20, Ashoka Road, New Delhi - 110 001 (hereinafter called the Administrator) of the first party.

and

M/s BSNL a company registered under the companies act 1956, having its registered office at **Bharat Sanchar Bhawan, Janpath, New Delhi -110001**, acting through **Shri H. C. Pant as CS & GM (Legal), BSNL Corporate Office**, the authorized signatory (hereinafter called the Universal Service Provider or USP which expression shall, unless repugnant to the context, include its successor in business, administrators, liquidators and assigns or legal representatives) of the second party.

Whereas the USP has requested and the Administrator agreed to enter into an Agreement for subsidy disbursement towards provision of wire-line broadband connectivity in rural & remote areas from existing rural & remote telephone exchanges, already in operation in the service areas, described in **Schedule-I** appended hereto on the terms and conditions recorded hereinafter in these presents.

Now this Agreement witnesses as follows:

1. In consideration of the performance of all the terms and conditions mentioned in this Agreement on the part of the USP, the Administrator does, enter into this Agreement for provision of wire-line broadband connections in the contracted service areas as described in **Schedule-I** appended hereto.
2. This Agreement will remain valid for 8 (Eight) years from the effective date unless revoked earlier for any reasons whatsoever.
3. The USP hereby agrees and unequivocally undertakes to fully comply with all terms and conditions stipulated in this agreement without any deviation or reservation of any kind.
4. The effective date of this Agreement shall be **20 January, 2009**.
5. More agreements in USPs Service Area, as described in **Schedule - I**, may also be entered into from time to time in future without any restriction on number of USPs at the sole discretion of Administrator.
6. Unless otherwise mentioned or apparent from the context, the USOF's letter No.30-160-8/wireline-BB-2006-USF dated 14.11.08, issued in this regard, and

Pant and
20/1/09

Shri Arun Agarwal
20.1.09

H2

subsequent clarifications, if any, shall form part and parcel of this agreement. Except in case of conflict or inconsistency on any issue relating to this Agreement, the terms set out in the body of this Agreement with Schedules annexed thereto shall prevail.

In Witness Whereof the Parties hereto have caused this Agreement to be executed through their respective authorized representatives on the 20th day of January, 2009.

signed for and on behalf of the President of India.

S. Anand
20.1.09
By (Authorized Representative)
Director, ~~BSNL~~ ^{USOF}
Department of Telecommunications
~~and Ministry of Communications~~

Signed on behalf of M/s BSNL

S. Anand
20/1/09
By Shri H. C. Pant, authorized signatory and holder of general power of attorney dated 6 Aug 2003 executed in accordance with the Resolution No. -NIL- dated 2 August 2003 passed by the Board of Directors.

in the presence of.

Witnesses:

1. *[Signature]*
Signature
Name R. Saji Kumar
Occupation DGM (BNP)
Address BSNL, CO
Place New Delhi

2. *[Signature]*
Signature
Name Dipanka Mehra
Occupation By Administrative (F), USF
Address O/o the Administrator (USF), DoT, Sanchar Bhawan,
Place New Delhi

Table of Contents

S. No.	Topic	Page No.
Agreement	Agreement for Provision of Wire-line Broadband Connectivity in Rural and Remote Areas	2-3
Schedule-I	Schedule of Service Areas	5
Schedule-II	Terms and Conditions	6-26
	Part I : General Conditions	6-10
	Part II: Commercial Conditions	11-13
	Part III: Technical Conditions	14-16
	Part IV: Financial Conditions	17-20
	Part V: Operating Conditions	21-23
	Part VI: Definitions	24-25
Annex I	Affidavits and Formats for Subsidy Claim & Attachments	26-36
Annex II	Exchange-wise Subsidy Rate	37
Annex III	Format of Auditor's Report on Statement of Claim for Subsidy from USOF	38
Annex IV	Statement of Wire-line Broadband Connections	39
Annex V	Master Database for Wire-line Broadband Connections	40
Appendix A	List of Rural Exchanges covered under the Agreement with Exchange-wise Subsidy Rate	41-357

P

17/5/2011

4

SCHEDULE-I

SCHEDULE OF SERVICE AREAS

The Agreement is entered into for subsidy disbursement toward's provision of wire-line broadband connectivity in rural & remote areas from existing rural & remote telephone exchanges, already in operation in all the service areas except Delhi & Mumbai metro areas, described in **Schedule-I**. The service area-wise/state-wise summary of these rural exchanges, wherefrom wire-line broadband connections are to be provided, is given below. The detailed list is given separately at **Appendix- A**, and in the CD. This CD shall form part and parcel of this Agreement. The USP shall build, operate, own and manage all the equipment/infrastructure for the provisioning of the wire-line broadband connections for which the Agreement has been entered into.

Summary of Rural Exchanges

S. No.	Telecom Circle	No. of Rural Exchanges
1	A & N	47
2	A P.	2676
3	Assam	429
4	Bihar	1000
5	Chattisgarh	449
6	Chennai	118
7	Gujarat	1965
8	Haryana	802
9	H.P	811
10	J & K	209
11	Jharkhand	291
12	Karnataka	2206
13	Kerala	873
14	Kolkatta	0
15	M P	1982
16	Maharashtra	3991
17	N E I	149
18	N E II	221
19	Orissa	942
20	Punjab	1215
21	Rajasthan	1959
22	Tamilnadu	933
23	U P (East)	2273
24	U P (West)	520
25	Uttaranchal	341
26	W. B.	1387
	TOTAL	27789

22/11/2011

5

SCHEDULE-II

TERMS AND CONDITIONS

PART I

GENERAL CONDITIONS

1.0 Transfer, Assignment or Franchising of the Agreement, entered into, shall be subject to relevant conditions of the Basic Service License/ Unified Access Service Licenses, as applicable.

2.0 Scope of the Agreement

2.1 The Universal Service Provider (USP) shall build, operate, own and manage the network as well as provide, operate and maintain all such wire-line broadband connections, including their associated core/access networks, etc., in the rural & remote areas of the service areas as per Schedule-1 for which the Agreement is entered into with the BSNL, here-in-after referred to as the Universal Service Provider (USP).

2.2 The Universal Service Provider shall be solely responsible for provision and operation of necessary equipment and systems, treatment of subscriber complaints, collection of call-charges and issue of receipts thereof, attending to claims and damages arising out of his operations.

2.3 The USOF shall provide subsidy for wire-line broadband connections, i.e., Individual and Institutional Users, installed under this Agreement from the date of installation on net addition basis, limited to a maximum number of 31 connections per DSLAM for a total number of 27,789 DSLAMs spread over the rural & remote areas.

2.4 The USOF shall provide subsidy for the CPEs for the connections provide as per clause 2.3 above.

2.5 The USOF shall provide subsidy for Kiosks.

2.6 The USOF shall provide subsidy for the Computer/Computing device /BB access devices, provided under this Agreement on net addition basis, limited to a maximum number of 31 per DSLAM, as per clause 2.3 above.

3.0 Duration of Agreement

3.1 The Agreement shall be valid for a period of eight years from the effective date unless revoked earlier for reasons as specified elsewhere in the document.

g m

6
K8

4.0 Extension of Agreement

4.1 The Administrator may extend, if deemed expedient in public interest, the validity of the Agreement for such period and on such terms as may be mutually agreed which shall be reviewed during the fifth year of the Agreement. The decision of the Administrator shall be final and binding in this regard on the USP.

5.0 On expiry of the Agreement period, the USP shall continue to own and manage (including the operation and maintenance) the rural wire-line broadband connections, provided under this Agreement.

6.0 Modifications in the Terms and Conditions of Agreement

6.1 The Administrator reserves the right to modify at any time the terms and conditions of the agreement, if in the opinion of the Administrator, it is necessary or expedient to do so in the public interest or in the interest of the security of the state or for the proper conduct of the service. The decision of the Administrator shall be final in this regard.

7.0 Requirement to furnish information

7.1 The Universal Service Provider shall furnish to the Administrator, on demand, such documents, accounts, estimates, returns, reports or other information as may be called for by the Administrator. The Universal Service Provider shall also submit information to TRAI as per any order or direction or regulation issued from time to time under the provisions of TRAI Act, 1997 as amended, modified or replaced from time to time.

8.0 Suspensions, Revocation or Termination of Agreement.

8.1 The Administrator reserves the right to suspend the operation of the Agreement in whole or in part, at any time, if, in the opinion of the Administrator, it is necessary or expedient to do so in the public interest or in the interest of the security of the State. However, the Administrator shall not be responsible for any damage, claim or loss, caused or arising out of such action. The suspension of the Agreement will not be a cause or ground for extension of the period of the Agreement and suspension period will be counted towards period spent under the validity of Agreement.

8.2 The Administrator may, without prejudice to any other remedy available for the breach of any conditions of Agreement, by a written notice of 90 calendar days issued to the Universal Service Provider at its registered office, terminate the Agreement under any of the following circumstances:

- a) Failure to perform any obligation(s) under the Agreement;
- b) Failing to rectify, within the time prescribed, any defect as may be pointed out by the Administrator.
- c) Going into liquidation or is ordered to be wound up.

Provided that if the respective Basic/ Unified Access Services license of the USP, as applicable, is terminated, then the Agreement for provision of wire-line broadband connectivity shall also be deemed to be terminated forth-with.

8.3 The Administrator reserves the right to revoke the Agreement at any time in public interest by giving a notice of 60 days, counted from the date of receipt of such notice.

8.4 Wherever considered appropriate, Administrator may conduct an inquiry to determine whether there has been any breach in compliance of the terms and conditions of the Agreement by the Universal Service Provider and upon such inquiry the Universal Service Provider shall extend all reasonable facilities and shall endeavor to remove the hindrance of every type.

8.5 It shall be the sole responsibility of the Universal Service Provider to maintain the Quality of Service (QoS) as per conditions of the Agreement, during the period of notice of termination of Agreement.

9.0 Actions Pursuant to Termination of Agreement

9.1 Wherever the Agreement is terminated prematurely, the Administrator may, at his sole discretion, in order to ensure continuity of Service, enter into an Agreement with another operator for providing broadband connections and services, who will be paid subsidy at the Representative Rate determined under the Agreement.

9.2 If the QoS had not been maintained as per standard prescribed hereto during the notice period, then no subsidy for the notice period shall be payable.

9.3 In case of termination of the Agreement before the expiry period, if it is found that the Universal Service Provider had received any payment in excess of the amounts under the Agreement prior to termination, then such amount shall be paid back immediately on demand by the USP to the Administrator.

10.0 Indemnity

10.1 The Universal Service Provider shall indemnify the Administrator in respect of any damages, claims, loss or action against Administrator for acts of commission or omission on the part of the Universal Service Provider, its agents or servants.

11.0 Disputes Settlement

11.1 In the event of any disputes, controversies or claims arising out of or in connection with this Agreement / MOU or the breach, termination or invalidity there of the Parties shall at first instance endeavor to amicably resolve / reconcile by mutual discussion / reconciliation in good faith. If the dispute, difference, controversies / differences of opinion, breaches and violation arising from or related to the Agreement cannot be resolved within 60(sixty) days of commencement of reconciliations / discussions, in such case, the same shall be finally referred, by either party to the arbitration to one of the arbitrators in the Department of Public Enterprises to be nominated by the Secretary to the Government of India, in charge of Bureau of Public Enterprises. The Arbitration and Conciliation Act 1996 shall not be applicable to the Arbitration under this clause. The award of the Arbitrator shall be binding upon both the Parties, provided, however, any Party aggrieved by such award,

may make a further reference of setting aside or revision of award to the Law Secretary, Department of Legal affairs & Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary or the Special Secretary

when so authorized by the Law Secretary, whose decision shall bind the Parties finally and conclusively. The Parties in the dispute will share equally the cost of arbitration as intimated by the Arbitrator.

11.2 Notwithstanding any dispute or claim of the pendency of any arbitration or other proceedings, the USP shall continue to provide the service for the whole duration of the Agreement.

12.0 Force- Majeure

12.1 If at any time, during the continuance of the Agreement, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, explosion, epidemic, quarantine restriction, strikes and lockouts (not limited to the establishments or facilities of the Universal Service Provider), fire, floods, natural calamities or any act of GOD (hereinafter referred to as EVENT), provided notice of happenings of any such EVENT is given by the affected party to the other, within 10 Calendar days from the date of occurrence thereof, neither party shall, by reason of such event, be entitled to terminate the Agreement, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance. Provided SERVICE under the Agreement shall be resumed as soon as practicable, after such EVENT comes to an end or ceases to exist.

12.2 The decision of the Administrator as to whether the service may be so resumed (and the time frame within which the service may be resumed) or not, shall be final, binding and conclusive.

12.3 However, the Force Majeure events noted above will not in any way cause extension in the period of the Agreement.

12.4 It is understood and declared that any strike, lock out or labour dispute or unrest only in the undertaking of the USP or the reasonable harshness of the nature due to the terrain or difficulties arising from remoteness of the area or insufficiency of funds will not be treated as an EVENT.

13.0 Set off Clause

13.1 In the event any sum of money or claim becomes recoverable from or payable by the Universal Service Provider to the Administrator either against the Agreement or otherwise in any manner, such money or claim can be (without restricting any right of set off for counter claim given or employed by law) deducted or adjusted against any amount or sum of money then due or which at any time thereafter may become due to the Universal Service Provider under this Agreement or any other Agreement or Contract between the Administrator and the Universal Service Provider.

13.2 The aforesaid sum of money payable to the Universal Service Provider shall include any valuable security, which can be converted into money.

h

9
120

32w

13.3 After exercising the right of set off, a notice shall always be given immediately within seven days by the Administrator to the Universal Service Provider.

13.4 Other Obligations

13.4.1 The Universal Service Provider shall be bound by the terms and conditions of the Agreement as well as by such orders/directions/regulations of TRAI as per provisions of the TRAI Act, 1997, as amended from time to time, and instructions as are issued by the Administrator.

13.4.2 The Order, Regulation or Rules made under Indian Telegraph Act 1885 including Indian Telegraph (Amendment) Act, 2003 and Indian Wireless Telegraphy Act, 1933 shall be binding on the Universal Service Provider.

a

Given

10
KJ

PART II

COMMERCIAL CONDITIONS

- 14.6 The Universal Service Provider shall offer the **USOF Subsidized Tariff Plan** for rural wire-line broadband connections as:

Tariff Plan	minimum speed of the broadband connection	Free down-load	Rate per MB for extra usage (Rs.)	Monthly charges (Rs.)
1	512 Kbps	400 MB	0.4	99/-
2	512 Kbps	1GB	0.4	150/-

14.1 The Universal Service Provider shall be free to provide wire-line BB connectivity, bundled with different CPEs/Computing devices/BB Access devices/Software/Applications/Services ensuring the minimum deliverables, as per Agreement. However, no extra subsidy shall be paid over and above that specified in this Agreement.

14.2 The USP shall not recover any charges towards installation, registration, security deposit, for the broadband connections provided under this Agreement, up to 31 connections per DSLAM.

14.3 The Universal Service Provider shall be free to adopt self-sustainable Commercial/franchisee model for the Kiosks. The revision of subsidy for Kiosks may be reviewed after one year of signing of Agreement based upon re-evaluation of the costs and revenues on account of demonstrated success in running a rural franchisee model offering multiple broadband based services to rural customers through the broad band kiosks in case the USP so submits. The decision of the Administrator, as to whether or not sufficient grounds exist to review subsidy, shall be final.

14.4 The USP shall provide a display board at each Kiosk wherein the name of the franchisee, availability of the services, their rates and other associated information will be indicated. The USP shall get the design of the display board approved by the Administrator.

14.5 The hourly internet browsing charges at the Kiosks, provided under this Agreement, shall not exceed Rs.5/- per hour.

14.6 The Universal Service Provider shall not charge tariffs higher than the tariff as per TRAI Orders / Regulations / Directions issued with regard to such service in rural areas from time to time from the customers / users for the service, or the tariff charged by the USP for this type/similar type of service in urban areas, whichever is lower. USP shall submit a self certification to this effect on quarterly basis.

14.7 The Tariff Plans, including the specifications of and charges for CPEs and computing devices/Broadband access devices, other than the USOF subsidized tariff plan being offered by the USP, for the rural broadband connections provided under this Agreement shall be submitted to the Administrator USOF for record within a month of signing of the Agreement and subsequent changes made, if any, shall also be reported to the Administrator. In such cases, Administrator, USF may review the subsidy for the period, subsequent to the implementation of the revised tariff.

14.8 The USP shall give a rebate of Rs. 4500/- (forty five hundred only) in the down payment for computer/computing devices/BB access device, up to 31 numbers per DSLAM as being subsidized by USOF, the EMI component of the computer/computing device/BB access device over and above the subsidy amount may, however, be charged separately.

14.9 The USP shall also arrange to place full details of USOF Subsidy Contributions, Scheme details, status and Grievance redressal and refund mechanism for all the rural wire-line broadband connections, registered/provided under this Agreement, in the public domain. This information should be accessible on its website at the all India/Circle/ SSA level. This information shall be provided in a user friendly manner preferably also in the local language.

14.10 During the validity of the Agreement, the Universal Service Provider shall make appropriate arrangement for highlighting in the bills raised to the customer, the USOF subsidy contribution for the connections provided, and the URL of the website where full details are available.

14.11 Liability/risk of default/misuse/misappropriation of broadband connectivity provided under the agreement will be the responsibility of the USP.

14.12 The Universal Service Provider shall give wide publicity to the scheme by way of appropriate marketing tools such as media advertisements, road-shows, banners, display boards, etc.

14.13 The Universal Service Provider shall provide single window interface to the customer for all pre as well as post connection activities such as booking, provisioning and handling the complaint.

14.14 The Universal Service Provider shall be solely responsible for and shall provide all the necessary installation and after sales services for the customer premises equipment (CPEs) and any other computing devices, if provided, to the satisfaction of the customer.

14.15 The Universal Service Provider shall ~~continue to~~ provide the broadband connections with CPEs as per the USOF Subsidized Tariff Plan to ensure 31 connections per DSLAM during the currency of the Agreement, notwithstanding any closure on account of disconnections, surrenders and shifts out of the local exchange area.

14.16 The Universal Service Provider shall continue to provide the Computer/Computing devices/Broadband access devices as per the USOF Subsidized Plan to ensure 31 numbers per DSLAM during the currency of the Agreement,

notwithstanding any closure on account of disconnections, surrenders and shifts out of the local exchange area.

14.17 The Universal Service Provider shall make arrangement to affix the "USOF SUBSIDIZED" on the CPEs / Computing devices provided to the customer under the agreement.

14.18 The USP shall maintain, rural exchanges wise list of all the registered customers with the USP for broadband connections, which should be provided from the effective date of the Agreement, within the Service Area for which the Agreement is signed as per the Annexure IV. Separate lists shall be maintained for Government institutes and individual users. The registration slips/receipts given for broadband connections shall have the URL of the website where status/details should be available.

14.19 The USP shall maintain a Master database of broadband connections and kiosks, provided under the Agreement, as per Annex V.

14.20 The Administrator shall not be responsible or liable for any default of customer/non-payment of EMIs by the customer for the wire-line broadband connections provided under the Agreement. The USP make necessary arrangements to safeguard its interests in such an event.

14.21 The Administrator will have the right to increase or decrease, up to 10% of the created capacity of the Rural wire-line broadband connections under the agreement, as specified in Appendix A and the enclosed CD, without any change, in the Representative Rates on the same terms and conditions of this Agreement.

San

13
H

PART III

TECHNICAL CONDITIONS

15.0 The Universal Service Provider shall work within the framework of the Technical conditions of the Basic Service License/Unified Access License, as applicable.

15.1 The USP shall intimate the technology and network details deployed for providing the broadband connectivity under this Agreement. The technology should be based on open standards issued by ITU/IEC/IEEE/IETF/ETSI/TEC or any other International Standards Organization/ bodies.

15.2 All the network elements/nodes, including subscriber terminals deployed in the network, should be based on open standards issued by an internationally accredited agency with respect to ITU/ETSI/TEC or any other international standardization body as may be approved by the Government.

15.3 The technology should be supported by obsolescence management plan through options like scaling up or migration management.

15.4 The Universal Service Provider shall ensure "the deliverables" under the agreement as detailed below:

- 15.4.1 The average equipped capacity of broadband equipment (e.g. DSLAM) shall be 64 ports so as to create a total capacity of 17,78496 broadband Connections from 27,789 DSLAMs spread over different locations (Appendix-A) ensuring a minimum equipped capacity of 32 ports at each location. The equipment should be expandable to meet the future requirements.
- 15.4.2 Throughput of each of the broadband connection, provided under the Agreement, shall be at least 512 kbps always on.
- 15.4.3 The broadband connections provided shall have the capability to deliver broadband services, i.e., data, voice and video services in the fixed mode with dynamic allocation of bandwidth.
- 15.4.4 The broadband connections provided shall have the capability to support applications like Internet browsing, Voice over IP, Multimedia, Video conferencing, E-learning, E-Telemedicine, E-governance, etc.
- 15.4.5 The broadband connections provided shall have the capability for upgrading the speed up to 2 Mbps on demand.
- 15.4.6 The USP shall provide wire-line broadband connectivity of 512 Kbps to the 32 "fixed users" per DSLAM, which include individual users, Government institutes & kiosks, over the period of Agreement.

15.4.7 The Kiosks, provided under this Agreement, shall have at least one work station with facility of internet browsing, taking print outs, scanning of the documents.

15.4.8 The Kiosks, provided under this Agreement, shall have the capability to support broadband applications such as **video chat, video conferencing, telemedicine, and tele-education.**

15.5 It shall be possible to enhance bandwidth dynamically for any of the users on demand up to 2 Mbps or higher for a specified duration, subject to technical feasibility, including distance limitation from the rural exchange to the Customer Premises. However, the rural exchange shall have adequate capacity & capability for the same.

15.6 Over and above the 32 fixed users per DSLAM, the Service Provider shall be free to provide additional Broadband connections to other prospective subscribers in such villages as per demand, and USOF shall not provide any subsidy for them.

16.0 Quality of Service Parameters for Broadband Connections and Kiosks

16.1 The Universal Service Provider shall ensure the Quality of Service Parameters for the Wire-line broadband connections provided under the Agreement as prescribed by TRAI vide Notification entitled 'Quality of Service of Broadband Service Regulations 2006 (11 of 2006) No. 304-6/2004 QoS dated 6th October, 2006, and amendments if any, issued from time to time.

16.2 The Universal Service Provider shall ensure the Quality of Service Parameters for the Wire-line broadband connections, provided under the Agreement, within the framework of the Quality of service Conditions of the Basic Service License/Unified Access License, as applicable.

16.3 The Universal Service Provider shall ensure the availability of quality broadband services to the users of broadband connections and kiosks with overall "contention ratio" of 10: 1 or better.

16.4 The USP shall ensure the upkeep and availability of services from the Kiosks to the general rural public preferably from 8 am to 4 pm.

16.5 The USP shall make arrangements for testing of broadband connections and Kiosks on a fortnightly basis.

16.6 The USP shall make arrangements for efficient running of the services at the Kiosks by ensuring availability of spares and service/maintenance contracts.

16.7 The USP shall make arrangement for reporting / booking faulty **broadband connections and Kiosks.**

16.8 The Universal Service Provider shall be responsive to the complaints lodged by the users of broadband connections and kiosks. They shall rectify the deficiencies

26/11/11

and maintain the history sheets for each installation, statistics and analysis on the overall maintenance status.

16.9 The Universal Service Provider shall keep a record of faults, rectification reports and other related details in respect of the services, rendered to the users of the **broadband connections and Kiosks**, which will be produced before the ADMINISTRATOR or TRAI as and when and in whatever form desired.

16.10 The USP shall maintain a record of performance monitoring of the kiosks and broadband connections for monitoring.

16.11 The records of wire-line broadband connections should be preserved by the Universal Service Provider **till the final settlement of subsidy claimed** in accordance with clause No. 21 of Part-V (Financial conditions).

16.12 The ADMINISTRATOR or TRAI may carry out performance tests, either directly by them or through their authorized designated monitoring agency, and/or evaluate the QoS parameters for the **broad band connections and kiosks** at any time during the validity period of the AGREEMENT. The Universal Service Provider shall provide ingress and other support including documents, instruments, equipment etc., for carrying out such performance tests and evaluation of Quality of Service parameters.

16.13 If the QoS of the broadband connections and kiosk are not met, as specified, during the period of the Agreement, Administrator may take necessary action and issue notice(s) to the USP to improve the QoS, as per specifications, within the stipulated time period, failing which, the subsequent subsidy payment will be stopped and the decision of the Administrator shall be final in this regard.

J

S. 200

16
148

PART IV

FINANCIAL CONDITIONS

- 17.0 The Exchange-wise subsidy shall be as per **Annexure II** (Service Area wise).
- 17.1 The subsidy support for CPEs shall be Rs. 850/- and for computing devices/computers, it shall be Rs. 4500/- on net addition basis, limited up to 31 numbers of CPEs and computing devices/computers per DSLAM.
- 17.2 The Universal Service Provider shall receive the Front Loaded Subsidy towards the connections and the Equated Annual Subsidy, where payable, up to a maximum period of two years from the date of installation or up-till the validity of the Agreement whichever is earlier.
- 17.3 The Universal Service Provider shall receive the subsidy for the broadband kiosks in the form of Equated Quarterly Installments for three years from the date of installation or till the validity of the Agreement, whichever is earlier.
- 17.4 The Front Loaded Subsidy for connections shall be payable only for net addition for the respective Exchange Area.

Explanation: Net additions shall mean the number of connections added after making adjustment for the permanent closures on account of surrenders, non-payments, or shifts out of the respective exchange area.

18.0 **Schedule for Disbursement of Subsidy by the Administrator to the Universal Service Provider.**

- 18.1 The Universal Service Provider shall be eligible for Front Loaded Subsidy at the end of the quarter in which the connections are installed and made functional or at the end of the subsequent quarter.
- 18.2 The equated annual subsidy, where payable shall be disbursed quarterly during each financial year, with each quarter ending on 30th of June, 30th of September, 31st of December and 31st of March.
- 18.3 The annual equated claim for a part of the quarter will be computed with reference to the actual number of days in that quarter.

Signature


17


- 3.4 Each quarterly installment of subsidy shall be disbursed generally within 60 days of receipt of a valid claim for the connections kiosks maintained up to the close of previous quarter.
- 18.5 The Universal Service Provider shall submit their quarterly Subsidy claim in a STATEMENT in the prescribed form given in **Attachments to Annexure I** showing the computation of Subsidy for the quarter, within 30 days of the end of the quarter. Claims received after this date shall be rejected unless under exceptional circumstances an extension is allowed by the Administrator. The STATEMENT along with **Annexure I** and **Annexure IV** shall be furnished by USP even if the claim for a quarter is NIL.
- 18.6 The Exchange wise subsidy claim should be submitted as prescribed in hard copy in the formats of Attachments to **Annexure I** which should be duly signed by the Authorized signatory of the Company. In addition to the hard copy, the USP should also submit the claim on a CD ROM in MS EXCEL format for each Service Area. The Authorized Signatory of the Company should put his signature and Seal of the Company on the CD ROM Disc.
- 18.7 The claim shall be duly certified with an Affidavit as per **Annexure I** by a representative of the Universal Service Provider duly authorized by a Board Resolution of the Universal Service Provider. In preparation of the statement the norms as per Attachments to **Annexure I** shall be followed. The relevant columns of the Attachments to **Annexure I** shall be authenticated to be as per billing records as mentioned therein.
- 18.8 The aforesaid quarterly STATEMENTS of each year shall be required to be audited by the Auditors of the Universal Service Provider, appointed under Section 224 of the Companies' Act, 1956. The report of the Auditors should be in the prescribed form given in **Annexure III** to be filed with the Administrator or designated authority, as specified, within 7 (seven) calendar days of the date of signing of the Audit Report, but not later than 30th September of the following year.
- 18.9 (a) For the connections that remain faulty for more than seven days in a quarter, the USP shall provide rebate against the charges for the connections as per TRAI Regulations. The grievance redressal and refund mechanism shall be specified in the bills raised for such connections. In case no rebate, as required under this clause is allowed by the USP, the Administrator shall deduct subsidy for the full quarter in respect of faulty connections: Provided where the connections remain faulty for forty-five days or more during the quarter, no equated quarterly subsidy for the entire quarter for that connection shall be disbursed.
- (b) 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

- 18.10 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.

19.0 **Disbursement of Subsidy:**

- 19.1 The USP shall submit the claims for Subsidy, duly accompanied by a pre-receipted bill with revenue stamp. Disbursement of Subsidy shall be made by cheque, through the office of the Controller of Communication Accounts of the respective Telecom circles or any other designated Authority.
- 19.2 The Administrator shall pay the subsidy for a quarter after making adjustments, if any, for the payments made in the previous quarters.
- 19.3 Final adjustment, if any in respect of excess or shortage in the Subsidy disbursed shall be made in the following year based on the quarterly Statements duly certified by the Auditors of the Universal Service Provider.
- 19.4 In case the Universal Service Provider is found to have claimed and received in excess of 10% of the Subsidy due to them for a financial year, the entire amount in excess shall be recovered along with interest from the date of disbursement at the Prime Lending Rate (PLR) of State Bank of India prevalent on the day the disbursement was made. The interest shall be compounded monthly and a part of the month shall be reckoned as a full month for the purposes of calculation of interest. (Month for this purpose shall be taken as an English calendar month). No further subsidy under this Agreement shall be disbursed until final adjustment of the excess payment. No interest shall be payable for any short payment made to the USP by the Administrator.
- 20.0 **Bank Guarantee:** There shall be no Bank guarantee clause as long as BSNL continues to be a 100% Government owned company. In the event of any change in the status of BSNL in this regard a suitable bank guarantee clause shall be inserted and shall form a part of this Agreement.
- 20.1 The Administrator, to ensure proper and correct verification of Subsidy paid, can if deemed necessary modify, alter, or substitute and amend whatever is stated herein.

21.0 **Maintenance of Records.**

- 21.1 The Universal Service Provider will draw, keep and furnish accounts for the connections/kiosks for which the Agreement has been entered into and it shall fully comply with Orders, Directions or Regulations, as may be issued from time to time, by the ADMINISTRATOR.
- 21.2 The records of the Universal Service Provider shall be subject to such scrutiny as may be prescribed by the Administrator so as to facilitate independent verification of the Subsidy claimed.

21.3 (a) The ADMINISTRATOR or the TRAI, as the case may be, shall have the right to call for, and the Universal Service Provider shall be obliged to maintain, supply and provide for examination the books of accounts and records of faults. The Universal Service provider shall also be required to supply and provide for examination any other records that it maintains in respect of the business carried on to provide the Service(s) under this Agreement at any time.

(b) The Universal Service Provider shall invariably preserve all CDR/billing details, accounting records and other records (electronic as well as hard copy) for a period of THREE years from the date of publishing of duly audited & approved Accounts of the company and any dereliction thereof shall be treated as a material breach independent of any other breach, sufficient to give a cause for cancellation of the AGREEMENT.

21.4 The relevant records of the Universal Service Provider will be subject to such scrutiny as may be prescribed by the ADMINISTRATOR or TRAI so as to facilitate independent verification of the amount due to the Universal Service Provider as subsidy from the USO Fund.

.....

724
[Signature]
[Stamp: Director, Telecom Regulatory Authority of India]

20
[Signature]

PART V

OPERATING CONDITIONS

22.0 Customer Service

The terms and conditions of the Basic Service License/Unified Access Service License Agreement, as applicable, in this regard shall prevail and shall be binding *mutatis mutandis*.

22.1 Right to inspect, Test and Monitor

22.1.1 The Administrator or his authorized representative or Designated Monitoring Agency (DMA) by the Administrator shall have the right to inspect the sites, used for extending the Service and in particular, but not limited to access to copper Network, junctions, terminating interfaces, hardware/software, memories of semiconductor, magnetic and optical varieties, wired or wireless system, distribution frames, LAN Switches, Routers, DSLAMs, etc., and conduct the performance test including entering into dialogue with the system through Input/output devices or terminals. The Universal Service Provider will provide the necessary facilities at its own cost for monitoring of the system, as required by the Administrator or its authorized representative(s) or DMA. The Inspection will ordinarily be carried out after reasonable notice except in circumstances where giving such a notice will defeat the very purpose of the inspection.

22.1.2 Wherever considered appropriate Administrator may conduct any inquiry, either suo-moto or on a complaint, to determine whether there has been any breach in compliance of terms & conditions of the Agreement by the Universal Service Provider, and during such inquiry, the Universal Service Provider shall extend all reasonable facilities without any hindrance.

23.0 The Universal Service Provider shall provide the wire-line broadband connections from the DSLAMs, installed in the rural area.

24.0 The Universal Service Provider shall provide Kiosks within the rural area from the DSLAM, installed in the rural area.

25.0 Location of Wire-line Broadband Connections

The Universal Service Provider may shift the wire-line broadband connections, within the rural area of the concerned SSA, during the validity of the Agreement, as per demand of the customer. No subsidy support towards such shift shall be payable to the USP.

[Handwritten signature]

21
[Handwritten signature]

26.0 Change of Technology

26.1 The USP may replace the wire-line broadband connections with any other "wire-line broadband technology", as per the terms and conditions of the Agreement, within the rural area of the concerned SDCA, during the validity of the Agreement, provided, it meets all the technical conditions stipulated in Part III of this Agreement. The front loaded subsidy and equated annual subsidy where payable shall, however, be disbursed at the Representative rate.

27.0 Roll Out Period

27.1 The USP shall provide wire-line broadband connectivity of at least 512 kbps to at-least 3 Government Institutes and 2 Individual users per DSLAM by the end of the second year of the Agreement and progressively reach up to 6 Government institutes and 25 individual users by the end of the fifth year of the Agreement. In the event of non-existence of demand from requisite number of Government institutions, the shortfall in roll out target for government institutions shall be met by providing wire-line broadband connections to institutes other than Government institutes or to individual users.

27.2 The USP 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 27, 789 Kiosks (one Kiosk per DSLAM) by the end of the fifth year of the Agreement.

27.3 The USP shall provide a quarterly statement in Annexure-IV containing details of the registered demand of the customers and wire-line broadband connections provided.

27.4 The USP shall give priority to the Government Institutes for providing the broadband connections.

27.5 The USP is authorized to relocate the Kiosk in case the demand from the public on account of their accessibility or non-usage for a prolonged period.

28.0 Liquidated Damages:

28.1 For the wire-line broadband connections, not provided as per the Rollout period, without prior written concurrence of the Administrator, the delayed period shall entail recovery of Liquidated Damages (L.D.) in the manner provided in clause 28.2.

28.2 For the rural wire-line broadband connections/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 connections/kiosks after the stipulated period, the Administrator shall recover liquidated damages at the rate of 2.5% of front loaded subsidy/annual equated subsidy as the case may be payable for those individual/Government Institutional wire-line broadband connections/Kiosks for each calendar month of delay or part thereof, subject to a maximum of 10% of the front loaded subsidy/annual equated subsidy as the case may be thus payable for those individual/Government Institutional wire-line Broadband connections/kiosks. For the purpose of charging the Liquidated Damages, the representative rate for the front loaded subsidy/annual equated subsidy, as the case

may be applicable for the respective rural exchange, where the relevant roll out obligation of providing that individual/Government Institutional wire-line Broadband connection/kiosk has not been fulfilled, shall be taken into account.

29.0 The Administrator may decide to invite other eligible service provider in respect of unfulfilled roll out at the representative rate of the Agreement.

30.0 The Roll-out period may be extended, if deemed fit, by the Administrator under exceptional circumstances.

31.0 **Confidentiality of information**

The terms and conditions of the Basic Service License / Unified Access Service License, as applicable, shall be binding *mutatis mutandis*.

32.0 **Prohibition of certain Activities by the Universal Service Provider**

The terms and conditions of the Basic Service License/ Unified Access Service License, as applicable, shall be binding *mutatis mutandis*.

33.0 **Security Conditions**

The terms and conditions of the Basic Service License/ Unified Access Service License, as applicable, shall be binding *mutatis mutandis*.

34.0 **Application of Indian Telegraph Act**

The terms and conditions of the Basic Service License / Unified Access Service License, as applicable, with regard to applicability of Indian Telegraph Act 1885, and rules framed there-under, shall be binding *mutatis mutandis*.

2/2/2011

[Signature]

PART - VI

DEFINITIONS

35.0 INTERPRETATION OF TERMS/ DEFINITIONS

Unless the context otherwise requires, the different terms and expressions used shall have the meaning assigned to them in the following paragraphs:

35.1 ADMINISTRATOR means the Administrator, Universal Service Obligation Fund in the Department of Telecommunications under Ministry of Communications & IT.

35.2 AGREEMENT means this Agreement.

35.3 BROADBAND CONNECTIVITY means an always on data connection that is able to support various interactive services, and has the capability of a minimum download speed of 512 kbps.

35.4 CONNECTION, for the purpose of this Agreement, means the rural wire-line broadband connection, which utilizes the existing wire-line network for POTs, and is provided from the broadband equipment called DSLAM, installed in rural exchanges, located in the rural areas as per census of India and shall include only rural wire-line broadband connections provided to individuals and Govt. institutes.

35.5 CUSTOMER PREMISES EQUIPMENT (CPE) is a terminal equipment located at the user's premises which is connected to the USP's wire-line network at one end and to the computer/computing device/broadband access device at the other end for providing broadband services.

35.6 DESIGNATED MONITORING AGENCY (DMA) means an agency, designated for the purpose of monitoring the wire-line broadband connections provided under this Agreement.

35.7 DIGITAL SUBSCRIBER LINE ACCESS MULTIPLEXER (DSLAM) is a broadband equipment/network device, located at the rural telephone exchange of the USP that connects multiple CPEs to a high speed internet core network.

35.8 EFFECTIVE DATE is the date on which this Agreement comes into effect.

35.9 FRONT LOADED SUBSIDY is the amount payable at the end of the quarter in which the broadband connection is installed and made functional.

35.10 GOVERNMENT INSTITUTE means institutes wholly maintained out of State funds.

35.11 INDIVIDUAL means all such users other than Government institutes, such as individual households, private commercial/ non-commercial establishments, etc.

h

32m

Rs 24

35.12 **KIOSK** means a public access office, having the connection under this Agreement for providing broadband services.

35.13 **LICENCE** means a License, granted or having effect as if granted under section 4 of the Indian Telegraph Act, 1885 and Indian Wireless Act, 1933.

35.14 **LICENSEE** means a licensee who has been awarded License to provide the service (Basic and/ or unified Access Service), within the geographical boundaries of the specified Service Area under the Indian Telegraph Act, 1885.

35.15 **LOCAL EXCHANGE AREA** means the geographical area served by an exchange, for the purpose of this Agreement.

35.16 **NET ADDITION** means the number of broadband connections, added after making adjustment for broadband connections, closed permanently on account of surrenders, non-payments, or shifts out of the Local Exchange Area.

35.17 **QUALITY OF SERVICE (QoS)** is evaluated on the basis of observable measure on the grade of service or the response time and also includes acceptable grade of number of faults per unit population of the subscriber served, the mean time to restore (MTTR), faults carried over beyond the MTTR and the satisfactory disposal thereof, as prescribed by TRAI vide Notification entitled 'Quality of Service of Broadband Service Regulations 2006 (11 of 2006) No. 304-6/2004 QoS dated 6th October, 2006, as amended or replaced from time to time, if any.

35.18 **SHORT DISTANCE CHARGING AREA (SDCA)** means one of the several areas into which a Long Distance Charging Area is divided and declared as such for the purpose of charging for trunk calls and within which the local call charges and local numbering scheme is applicable. SDCAs, with a few exceptions, coincide with revenue tehsil / taluk.

35.19 **SERVICE AREA:** Service Area means the territorial jurisdiction as specified under the Basic Service License except the areas that may be notified to be excluded from time to time.

35.20 **SUBSIDY** means the disbursements made from USOF towards meeting the universal service obligations in terms of this Agreement.

35.21 **TRAI** means Telecom Regulatory Authority of India constituted under the TRAI Act, 1997 as amended from time to time.

35.22 **UNIVERSAL SERVICE PROVIDER (USP)** means such entities which have entered into an Agreement with the Administrator for provision of specified Universal Service.

35.23 **USO** means Universal Service Obligation, as enunciated in Indian Telegraph (Amendment) Act, 2003, and the Rules framed there under.

30.24 **USOF** means the Universal Service Obligation Fund, established under Indian Telegraph (Amendment) Act, 2003 and Rules framed there-under.

2024

ANNEXURE-I

AFFIDAVIT AND FORMAT OF STATEMENT FOR SUBSIDY CLAIM

Agreement No.30-160-8/Wireline-BB/2006-USF DATED ---
FOR Rural wire line BB Connections

AFFIDAVIT (ON STAMP PAPER)

1. I aged about years son of Shri resident of do solemnly affirm and state as under:
2. That I am of (Name of the Company), Universal Service Provider in Service Area and I am duly authorized by the resolutions dated passed by Board of Directors of the Company to furnish affidavit on behalf of (Name of the Company).
3. That a claim of Rs. (Rupees) for Service Area is being made for the period to for QE The details of calculation of subsidy are as per Attachments enclosed.
4. That the contents of Attachments 1-6 to Annexure I are true and correct to the best of my knowledge, based on the records of the company, which are available for further verification by the appropriate authorities and that the new rural wire line broadband connections provided were functional from the quarter in which they have been shown as installed (Attachments 1-6 of Annexure I).
5. That the claim pertains to the connections/kiosks installed after the date of entering into the Agreement.
6. That the connections/kiosks that have been permanently closed either on account of disconnection for non-payment or on account of surrender by customers, or on account of shift outside the Rural Exchange Area during the quarter, have been excluded for the purpose of subsidy from the quarter in which they were closed.
7. That excess payment or shortage, if any, in the subsidy received shall be adjusted in the following year based on the quarterly statements duly certified by the Auditors of the Company and scrutiny as prescribed by the Administrator.
8. That every connection has been provided with a CPE which is an ADSL Type -I modem or a modem of higher specification or an in-built modem in PC/Computing device/Laptop.
9. That every connection, which has been provided to the users along with a computing device/broadband access device, has been given a rebate equivalent to the amount covered in the USOF subsidy.
10. That subsidy has been deducted for connections/kiosks that have remained faulty during the quarter in accordance with terms of the condition of the Agreement.

Handwritten signature and stamp

11. That the tariff for the connections for which the claim has been preferred is being charged at the rates not more than the rates recommended as per TRAI Tariff orders, Regulation, directions issued with regard to Rural wire-line Broad band connections from time to time and as defined in the terms and conditions of this Agreement.
12. That the USOF subsidized packages for rural wire-line broadband connections are being provided as specified in the Agreement.
13. The individual/government institutional user, desirous of availing bundling of computing devices, are being provided with the same as per agreement subject to an upper limit of 31 per DSLAM or the number of computing devices actually subsidized by USOF for each DSLAM.

Deponent.

VERIFICATION

Verified at on that the contents of para 1 to 12 above of the affidavit and Attachments to Annexure I are true and correct to the best of my knowledge, no part of it is false and nothing has been concealed there from.

deponent

[Handwritten signature]

[Handwritten signature]
[Handwritten signature]
[Handwritten signature]

[Handwritten signature] 27

Attachment-16 to Annexure I (FOR GOVT. INSTITUTIONAL AND INDIVIDUAL USERS)

Summary and claim statement for Broad Based Subsidy for Rural Wide Area Broad Band Connections and Kiosks

Name of Service Area:

Sl. No.	Name of the SSA	Name of the SOCA	Name of Exchange	PLS Rate for the Exchange	No. of connections at the beginning of the Qtr	No. of connections added during the Qtr	No. of connections permanently closed during the Qtr	No. of connections at the end of the Qtr (Col. 6 + Col. 7 - Col. 8)	Figured no. of connections in any previous Qtrs.	Net additions in no. of connections during the Qtr (Column 9 - 10)	From loaded subsidy payable Col. 11 + Col. 5	Equated Quarterly subsidy payable for Connections in exchange area (from attachment 25 to Annexure I)	Subsidy i.e. deployment of Computer/Computing device (Col. 7 Attachment 6/5 + Rs. 4500/-)	Subsidy i.e. CPE (Col. 11 + Rs. 850/-)	Total Subsidy payable for Kiosks (from attachment 26)	Total Subsidy payable for Connections and Kiosks for the Qtr = (Col. 12 + Col. 13 + Col. 14 + Col. 15 + Col. 16)
1																
2																
3																
4																
5																
6																
7																
8																
9																
10																
11																
12																
13																
14																
15																
16																
17																
18																
19																
20																
21																
22																
23																
24																
25																
26																
27																
28																
29																
30																
31																
32																
33																
34																
35																
36																
37																
38																
39																
40																
41																
42																
43																
44																
45																
46																
47																
48																
49																
50																
51																
52																
53																
54																
55																
56																
57																
58																
59																
60																
61																
62																
63																
64																
65																
66																
67																
68																
69																
70																
71																
72																
73																
74																
75																
76																
77																
78																
79																
80																
81																
82																
83																
84																
85																
86																
87																
88																
89																
90																
91																
92																
93																
94																
95																
96																
97																
98																
99																
100																

Total for Exchange XXX

Total for Exchange-YYY

Total for the SOCA

Total for the SSA

Total for the Service Area

imp 2

D

28

Note:

1. Broad band connections for the purpose of this statement, shall be confined to only Rural Wire line Broad band connections not charged tariffs higher than the TRAI tariff orders/regulations/directions issued with regard to Broad band from time to time
2. The source of information for filing this claim shall be the Billing record. A certified copy of the Bill summary of the concerned period (Attachment 4/8 to Annexure I) is required to be attached with this statement
3. Front Loaded Subsidy from USOF is payable for Net Additions only up to a maximum number of 31 connections/Rural Exchange. In case net addition (Col 11) is negative, it may be taken as zero. Permanently closed connections include connections closed on account of surrender or non-payment or shift out of Local Exchange Area
4. The total number of computing devices subsidized shall be restricted to the closing balance of the number of broadband connections and at any event shall be limited to 32 per exchange. Further no subsidy shall be disbursed towards the computing device when the net addition is zero or negative

Signature of Authorized Signatory with Company seal

Attachment-2/6 to Annexure 1: FOR EQA SUBSIDY CLAIM (FOR GOVT. INSTITUTIONAL AND INDIVIDUAL USERS)

Claim statement for QE:

Name of Service Area:

Sl. No	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
	Name of the SSA	Name of the SDCA	Name of Exchange	Rate payable for the Exchange	Village name	Census Village Code (as per 2001 Census)	TEL No. (Pre-fixing STD code)	Name and address of subscriber (for individual connection)	Name and address of Govt. Institution (for institutional connection)	Date of installation of connection	Period for which the connection remained faulty	No of days connection remained faulty including from and to days (both)	Date of permanent closure on account of DMR, shift out of exchange or surrender	No of days of existence of BB connection in the Qtr.	EQA payable (EQA rate*No. of days of existence)(col.15)/total no. of days in the Qtr)	Deduction on account of non-functional period (Refer to Note 4)	Net Subsidy payable= (column 17-column 18)		
1																			
2																			
3																			
4																			
Total for the local exchange area at the end of Qtr =																			
1																			
2																			
Total for the local exchange area at the end of Qtr =																			
Total for the SSA at the end of the Qtr=																			
Total for the Service Area at the end of the Qtr=																			

Note:

1. Broad Band Connections for his purpose of this statement, shall be confined to only Rural Wire line Broad Band connections not charged tariffs higher than the TRAI tariff orders/regulations/directions issued with regard to BB connections from time to time. (Please refer to clause 14.5 of the Agreement)

2. The source of information for filing this claim shall be the Billing record. A certified copy off the Bill Summary of the concerned period (Attachment 5/6 to Annexure-I) is required to be attached with this statement.

3. In case of new installations, the period shall be reckoned from the date of installation. In case of permanent closure it shall be upto and including the date of closure. Where the subsidy claim is for less than a quarter, the claim shall be submitted on a prorata basis for the actual duration for which the connection remained functional in the quarter.

4. The subsidy deduction for faults less than 45 days is Nil subject to the condition that the USP provides rebate as per TRAI regulations (refer Clause 18.8 of Financial Conditions of the Agreement). For faults for 45 days or more, quarterly subsidy component for the entire quarter is to be deducted.

5. Column no. 14, 16, 17, 18 & 19 should be in numerical format in the soft copy

6. Date format in column no. 11, 12, 13 and 15 should be in DD-MM-YYYY format.

Certified that Column No. 8, 9, 10, 11 and 16 are verified and found correct as per TRA records.

Certified by:

DGM(TRA/QM/TR)

Signature of authorized signatory along with Company seal

Claim statement for Kiosks for QE:

Name of Service Area:

SL No	Name of the SSA	Name of the SDCA	Name of Exchange	Village name	Census Village Code (as per 2001 Census)	TEL No. (Pre-fixing STD code)	Name and address of Custodian/Franchisee	Date of Installation of KIOSK	City Subsidy Rate for the Exchange	Period for which KIOSK remained faulty	No of days KIOSK remained faulty including from and to days (both)	Date of permanent closure on account of DMP, shift out of exchange or surrender	No of days of existence of Kiosk in the Qtr.	Subsidy payable (Col. 10*No. of days of existence)(col.16)/total no. of days in the Qtr)	Deduction on account of non-functional period (Refer to Note 4)	Net Subsidy payable= (column 16-column 17)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1			A														
2			B														
3			C														
4			D														
Total for the SDCA =																	
1			E														
2			F														
Total for the SDCA =																	
Total for the SSA =																	
Total for the Service Area =																	

Note

1. Kiosk for his purpose of this statement, shall be confined to only Rural Wire line kiosks not charged tariffs higher than the TRA tariff orders/regulations/directions issued with regard to BE connections from time to time. Please refer to Clause 14.4 and 14.5 of Agreement

2. The source of information for filing this claim shall be the Billing record and the same shall be certified as per instructions issued by USOF Hq letter no 1-1/2008-USOF/337 362 dt. 6.05.2008. For all new installations a copy of the first bill must be mandatorily attached with claim.

3. In case of new installations, the period shall be reckoned from the date of installation. In case of permanent closure it shall be upto and including the date of closure. Where the subsidy claim is for less than a quarter, the claim shall be submitted on a pro-rata basis for the actual duration for which the BE connection remained functional in the quarter

4. The subsidy deduction for faults less than and equal to 7 days is nil, for duration of faults more than 7 days but less than 45 days, pro-rata deduction as shown below is to be done. For faults for 45 days or more, quarterly subsidy component for the entire quarter is to be deducted.

5. Pro-rata deduction of subsidy for fault period= $\frac{\text{Equalized Quarterly Subsidy} \times \text{No. of days of fault in the quarter}}{\text{Total No. of days in the quarter}}$

6. Column no. 10, 13, 15, 16, 17 & 18 should be in numerical format in the soft copy

7. Date format in column no. 9, 11, 12 and 14 should be in DD-MM-YYYY format.

Certified that Column No 7, 8, 9 and 14 are verified and found correct as per TRA records.

Certified by:

DGM(TR)/GM(TR)

Signature of authorised signatory along with Company seal

Bill Summary For Existing Connections

Bill summary of existing customers for the QE:
Name of Service Area:

SL No	Name of the SSA	Name of the SOCA	Name of Exchange	Village name	Consent Village Code as per 2001 Census	TEL No. (Pre-Billing STD code)	Name of the subscriber	Type of subscriber (Individual or Govt. Institution)	Customer identification number	Date of installation	Plan (Refer Clause 14.2 of Agreement)	Type of connecting device if any (applicable only for individual subscribers)	QE	CPE Rental (in case of other than ADSL modem Type-I CPE)	Computer/Computing device rental	Total Usage (MB)	Free Limit (MB)	Usage beyond Free Limit (Col. 18, Col.19)	Rate per MB of Extra usage	Extra Usage Charge	Other Charge	Total Charge (Col. 18+Col.17+Col.22+Col.23)
1																						
2																						
3																						
24																						

TOTAL NUMBER OF INDIVIDUAL CONNECTIONS WITH COMPUTERS

- A. Exchange Total of subscribers with Computers at the end of Present Quarter
B. Exchange Total of subscribers with Computers at the end of Previous Quarter
C. Exchange Total of Computers/Additional Connections with Computers (A-B)
D. Exchange Total of All Subscribers at the end of Present Quarter
E. Exchange Total of All Subscribers at the end of Previous Quarter
F. Exchange Total of Number of Computers/Additional Broadband Wireline Connections (E-D)

* Subscribers with and subscribers without computers
Certified as per billing records.

Signature of OCAI (TRIGM)(TR)

Signature of authorized signatory along with Company seal

3022

20

129

ANNEXURE-II

Exchange-wise Subsidy Rates

Please see the details at Appendix A

2

30/11/20

37

ANNEXURE-III

Format of Auditor's Report On Statement Of Claim for Subsidy from USOF

To
The Board of Directors

.....
.....

We have examined the attached statement(s) of (The name of the Universal Service Provider) of for the quarter(s) ending We understand that the aforesaid statement(s) is /are to be furnished to the Central Government for assessment of the subsidy payable to the Universal Service Provider by the Government, in terms of the Agreement No. 30-160-8/Wireline-BB/2006-USF dated for Subsidy Disbursement for provision of Rural wireline Broad band connections in the specified exchange under Universal Service Obligation, Stream IV.

We report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion and to the best of our knowledge and belief and according to the explanations given to us, the Statements have been prepared in accordance with the conditions contained in the said Tender document/Agreement and clarification thereon in this behalf and gives a true and fair view of the subsidy claimed for the period computed on the basis of the aforesaid conditions.
3. In our opinion and to the best of information, record of Rural wireline Broad band connections remaining nonfunctional is kept in such a manner as to reflect the correct position, for the purpose of claiming subsidy.

(Name and Signature with Company's seal)

h

32w

20

22

ANNEXURE-IV

STATEMENT OF WIRE-LINE BROADBAND CONNECTIONS INSTALLED

(Agreement No. 30-160-8/Wireline-BB/2006-USF dated2009)

NAME OF THE SERVICE PROVIDER:

NAME OF THE SERVICE AREA/ SSA/SDCA:

NAME OF VILLAGE (RURAL EXCHANGE/DSLAM LOCATION):

CENSUS CODE OF THE VILLAGE WHERE DSLAM IS INSTALLED:

FOR THE MONTH ENDING:

A. Institutional Users

SL. NO	DATE OF REGN.	REGN NO.	DATE OF INSTALLATION	TELEPHONE NUMBER			REASONS FOR NON-INSTALLATION
				STD CODE	TEL.NO.	'E' for Existing and 'N' for New	
1							
2							
3							

B. Individual Users

SL. NO	DATE OF REGN.	REGN NO.	DATE OF INSTALLATION	TELEPHONE NUMBER			REASONS FOR NON-INSTALLATION
				STD CODE	TEL.NO	'E' for Existing and 'N' for New	
1							
2							
3							

SIGNATURE OF THE AUTHORIZED SIGNATORY
FOR AND ON BEHALF OF (NAME OF THE COMPANY)




SUMMARY OF RURAL EXCHANGES

S.No	Circle	Rural Exchanges
1	A & N	47
2	A P.	2676
3	Assam	429
4	Bihar	1000
5	Chattisgarh	449
6	Chennai	118
7	Gujarat	1965
8	Haryana	802
9	H.P.	811
10	J & K	209
11	Jharkhand	291
12	Karnataka	2206
13	Kerala	873
14	Kolkatta	0
15	M P	1982
16	Maharashtra	3991
17	N E I	149
18	N E II	221
19	Orissa	942
20	Punjab	1215
21	Rajasthan	1959
22	Tamilnadu	933
23	U P (East)	2273
24	U P (West)	520
25	Uttaranchal	341
26	W. B.	1387
TOTAL =		

N

Zan

D

R2