



BSNL

Connecting India

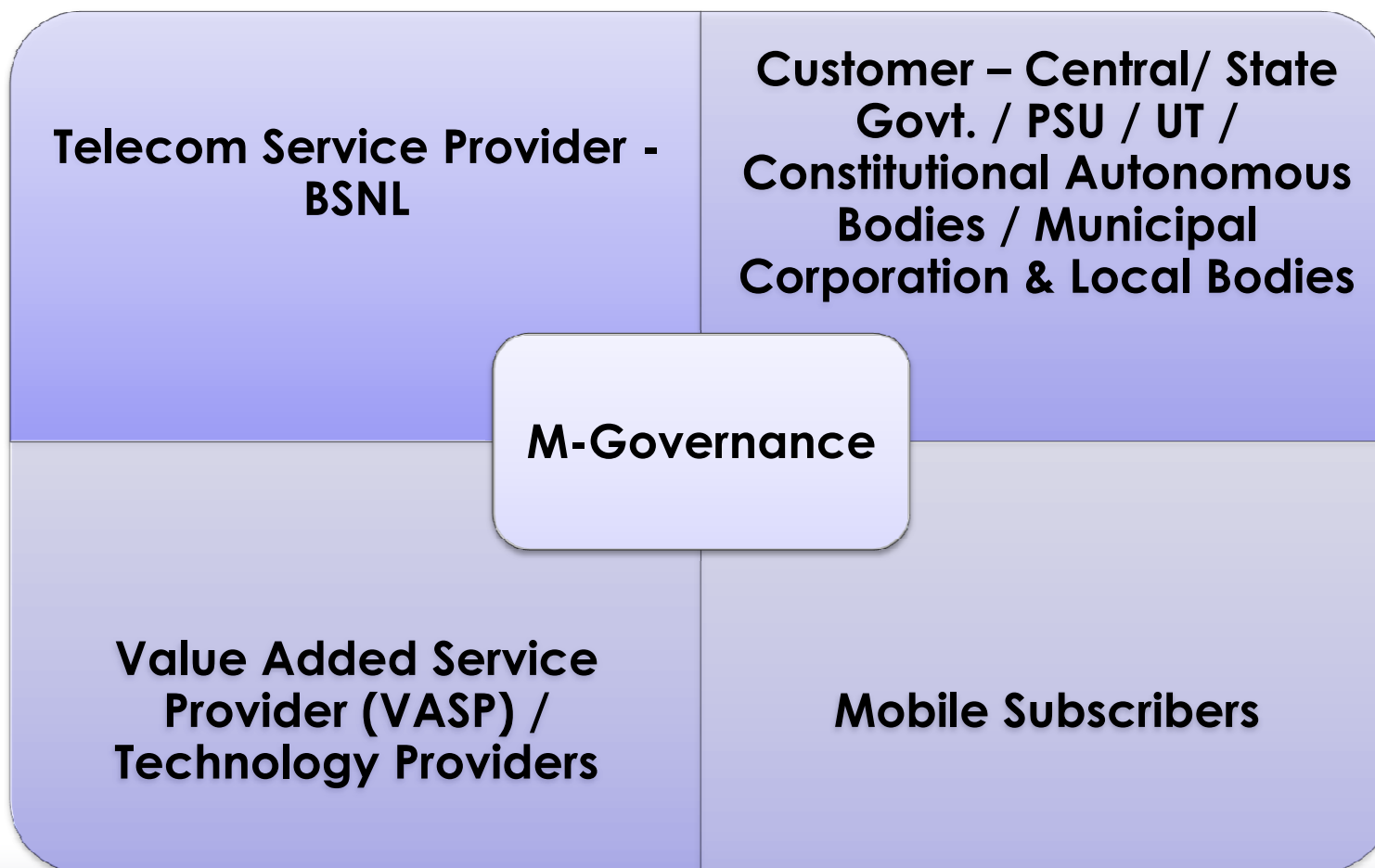
POLICY ON M-GOVERNANCE SERVICES



Definition of M-Governance

- ❑ **Definition:** Delivery of Governance related services via Mobile communication devices i.e. a tool and method that facilitates interaction between citizen to citizen, citizen to government and government to citizen for strengthening democracy and good governance is called M-Governance

Stake holders in M-Governance Ecosystem





BSNL's approach in M-Governance field

- ❑ BSNL entered into a field of e-Governance in 2008. Issued a policy for e-Governance projects on 26-06-2008.
- ❑ BSNL issued new M-Governance policy of 13-04-2014 which replaces e-Governance policy framed earlier.

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New M-Governance Policy

- ☐ On the basis of previous experience new M-Governance policy has been issued on 19-09-2014.
- ☐ While framing new M-Governance policy it was taken care to prepare a comprehensive framework to enable field units to monetize M-Governance opportunities in most efficient and effective manner.



SALIENT POINTS OF NEW M-GOV. POLICY

- ☐ Roles & Responsibility of BSNL & Value Added Service Provider (VASP) explained in detail.
- ☐ Explained Possible Modes of Engagement with customer and VASPs.
- ☐ Explained Procedure for execution of project.
- ☐ Explained Financial Terms and conditions.

Covered separately in further slides



VARIOUS TELECOM CHANNEL COVERED IN M- GOVERNANCE POLICY

- **SMS:** Over short code & Long code
- **IVRS:** Over short code & Long code
- **USSD:** Push & Pull
- **Data :**Both way

JURISDICTION

- ❑ CGM of concerned territorial head will be responsible for end-to-end execution of M-Governance project.
- ❑ In Delhi, CGM (NTR) will be responsible for M-Governance projects executed by central government in one or more states.
- ❑ If a project is spread beyond one territorial circle CGM of territorial circle under which Headquarter of that PSU falls will be responsible for End-to-End execution of project.

Roles & Responsibility

- ❑ Roles & Responsibility of BSNL & Value Added Service Provider (VASP) explained in detail in new M-Governance policy.
- ❑ Roles & Responsibilities mentioned in M-Governance policy are indicative / tentative and may differ on case to case basis at the time of discussion with VASP based on type of solution proposed and responsibility matrix finalized.
- ❑ The actual roles & Responsibility shall be made part of agreement in each case, on case to case basis.



ROLES & RESPONSIBILITY OF BSNL

- ☐ Do interaction with customer individually or jointly with VASP.
- ☐ Provide Telecom connectivity, short codes, long codes, Access Point Name (APN) for solution.
- ☐ Provide SIMs, special Tariff plans
- ☐ Provide support for network related problem.
- ☐ Provide Man power & field support for O&M if required.
- ☐ Provide hosting Infrastructure.
- ☐ To ensure complete compliance of all licensing & regulatory guidelines.
- ☐ Shall make effort that revenue is realized from the customer in the time bound manner.



ROLES & RESPONSIBILITY OF VASP

- ☐ VASP shall be responsible for complete implementation of M-Governance solution, which includes survey, design, engineering, supply, testing, packaging, transportation, erecting, successful performance during the period of agreement with customer and comprehensive AMC (including warranty etc.).
- ☐ To install servers/platforms including hardware/ other software/database etc.
- ☐ To procure other third party devices like Mobile Handset, SIMs of other Operators, Modems etc as per requirement.
- ☐ To prepare self service portal, GUI Interface for O&M/MIS etc as per the requirement.



ROLES & RESPONSIBILITY OF VASP (Contd.)

- ☐ Do all Analytics and reporting as per requirement of customer & BSNL and to prepare Dashboard to access all reports .
- ☐ To assist BSNL is preparing Rate Plans for customers.
- ☐ To carry out rapid development of solution and its integration with software systems, Network and Equipments.
- ☐ To provide L1, L2 & L3 support.
- ☐ Provide field services for deployment and servicing of M-Governance solution in a production environment, if required.
- ☐ To ensure complete compliance of all licensing and Regulatory guidelines.



ENGAGEMENT OF VASP

- Under different mode of engagement VASPs (Empanelled & Non-Empanelled) for executing the project will be selected.
- The company should be registered & incorporated under the Indian Companies Act, 1956
- The Company or its parent company should have a minimum annual turnover (audited) of INR 1 Crore from provisioning of Telecom Application / VAS solution during the last financial year or in current financial year at the time of submission of proposal.
- The company will have to submit a Turnover certificate from the company's Auditors/ CA to this effect.
- Other Eligibility criteria for selection of the VASPs shall be decided by concerned CGM based on project requirement.



MODE OF ENGAGEMENT WITH CUSTOMER

1. In case BSNL onboard Customer

A. Work is awarded to BSNL on Nomination basis

- (i) Customer asks BSNL to discover a competitive price.
- (ii) Customer don't insists for price discovery

B. On Competitive basis where EOI/Tender is floated by Customer

- (i) Bidder is BSNL only.
- (ii) BSNL and VASP jointly bids for business

2. In case VASP onboard Customer and provide the solution directly

- ☐ On boarding of Customer by VASP for BSNL.
- ☐ Empanelment of VASP for offering M-Governances Solution.



METHODOLOGY FOR DISCOVERING COMPETITIVE PRICE

- ❑ For providing the solution as per finalized specs, competitive Quotes are to be asked from all BSNL empanelled VASPs including the VASP (non-empanelled), if any, who brings business,.
- ❑ First right of refusal shall be granted to VASP, whose solution was earlier selected by customer i.e. the quote of other VASP, if found to be L1, then such L1 rate may be offered first to the VASP, whose solution was selected by customer. If such VASP does not accept the offered L1 rate, the work may be awarded to the VASP, who quoted the L1 rate. In case L1 also refuses to accept order, damages may be claimed from bidder and work may be awarded to L2 on L1 rates, however no damages are to be claimed from L2. In case L2 refuse to accept order and so on.



METHODOLOGY FOR DISCOVERING COMPETITIVE PRICE (CONTD.)

- ❑ In order to bring seriousness in the offer from VASPs, all bidders' has to furnish an undertaking, to pay Rs 1 Lakh as damage to BSNL, if they don't accept its own quoted rates. Failing which, they may be barred from participating in any project related to M-Governance.
- ❑ In case, VASP refuses to accept its own quoted rate, damages may be claimed by BSNL in addition to other punitive actions like blacklisting etc.



PROCEDURE FOR EXECUTION OF PROJECT.

- ☐ **Signing of Agreement.**
- ☐ **Guidelines for preparing and submitting proposal to the customer.**
- ☐ **Performance security deposit to ensure VASP commitment for launch/commission of services at the time of acceptance of PO.**
- ☐ **Submission of BG to Customer.**
- ☐ **AMC/Management of service.**
- ☐ **Procedure for procurement of Mobile Handsets for M-Governance solutions.**
- ☐ **Reserved short codes for SMS/IVR based services.**
- ☐ **Marketing of Services.**
- ☐ **Submission of Proposal.**



SIGNING OF AGREEMENT

- ❑ As per different scenarios for M-Governance services, Bi-Party or Tri-Party agreements may be signed between the parties. From BSNL side circle/NTR will have to sign an agreement/MOU with the concerned state Government/PSU and VASP for providing agreed services. In case of M-Governance services are delivered on Pan India basis, CGM of concerned territorial head will have to sign the agreement or as decided by the BSNL on case to case basis.



GUIDELINES FOR PREPARING AND SUBMITTING PROPOSAL TO THE CUSTOMER

- VASP is to submit its proposal to BSNL clearly defining responsibility matrix and mentioning CAPEX and OPEX (including AMC) of the solution.
- BSNL to add handling charges on the cost of solution quoted by VASP as per Para 1 of Annexure-I (confidential details) and also add applicable taxes like Service tax, License Fee, Spectrum Charges, Corporate taxes etc.
- The proposal to be submitted to customer will have three parts 1. CAPEX 2. OPEX and 3. Transaction charges. The recovery of CAPEX and OPEX can be done upfront or on recovering the cost through Transaction charges depending upon the customer and business requirements. The same is summarized as per Annexure-II.



Performance security deposit

- ❑ To ensure performance of VASP regarding the said services a PO may be placed on the VASP and his concurrence/acceptance may be taken. This PO should have back to back terms & conditions and SLAs/Penalty which are to be committed to by BSNL circles to state Govt./Central Govt./PSU. This may be done on case to case basis.
- ❑ Though BSNL may receive advance payment from the state Govt./Govt/PSUs however suitable terms & conditions for payment, linked with the progress of the project may be given to VASP, i.e. the payment is to be released in case of CAPEX model as per the rollout progress of the service. After commissioning of the service. VASP may be paid all the CAPEX money received from the state Govt./Central Govt./PSU retaining BSNL share balance. Amount may be paid as and when received after retaining BSNL share. In no case the money should be paid by BSNL to VASP without getting the same from State Govt./Central Govt/PSU.



Performance security deposit (contd.)

- ❑ To ensure VASP commitment for launch/commissioning/smooth running of services at the time of acceptance of PO by VASP, PBG equal to 12% of the CAPEX quoted by VASP, or 5 lakhs (whichever is more) valid for agreement period +6 months may taken .
- ❑ VASP may submit DD of equivalent amount in lieu of PBG. But this amount shall not carry any interest.



SUBMISSION OF BG TO CUSTOMER

- ❑ In case BG is required to be submitted by BSNL to customer. Equivalent amount of BG may be got deposited by VASP to BSNL for the same duration. This BG is to be in addition to the BG to be submitted by VASP as per Para 14 above. In case BG submitted by BSNL is revoked due to any reason directly or indirectly attributable to VASP, BSNL may also encash the BG submitted by VASP.



AMC/MANAGEMENT OF SERVICE

- ❑ **Terms & Condition of AMC are supposed to be finalized along with project proposal as a part of OPEX. All the guidelines of the M-Governance policy are applicable including the handling charges**



PROCEDURE FOR PROCUREMENT OF MOBILE HANDSETS FOR M-GOVERNANCE SOLUTIONS

- ❑ In many M-Governance solutions there is a requirement of Mobile Handsets as a part & parcel of the solution. The prices of Mobile Handsets are more and less fixed irrespective of the quantity and the source from where it bought. Procurement of Mobile Handsets by BSNL following the elaborate procurement procedure may delay the project and also may result into loss of business opportunity. Therefore BSNL in general may ask the VASP to procure the Mobile Handsets as per requirement. VASP may include the cost of procuring Mobile Handsets as part of cost of solution



FINANCIAL TERMS AND CONDITIONS.

- **Confidential commercial Terms & Conditions between BSNL & VASP (Conveyed to only BSNL units and empanelled VASPs)**
- ✓ The Tariff and other charges.
- ✓ Charges for subscribers.
- ✓ Revenue share between BSNL and VASP
- **Procedure for release of Revenue share to VASP.**



Miscellaneous

- ☐ **Marketing of Services:** Marketing/publicity of Services shall be responsibility of Customer.
- ☐ **Submission of Proposal:** The Proposal by VASP is to be submitted to concern CGM as per clause 3 of the policy.
- ☐ **Reserved short code:** short code for SMS, IVR and USSD based services are reserved zone wise.



Empanelment of VASP

- ❖ Few existing vendors having VAS agreement with BSNL has been empanelled by BSNL, solely for the purpose of offering solution quickly as per requirement of customer (if on boarded by BSNL) or for making price discovery of the already offered solution (if required).
- ❖ This empanelment doesn't restrict any other to engage with BSNL or offer innovative solution.

