

Dated 06.11.2019
F. No. 30-174-1/2015-BB-USOF (Vol. VI)
Ministry of Communications
Department of Telecommunications
Universal Service Obligation Fund
20, Ashoka Road, Sanchar Bhawan
New Delhi – 110001

Sub: Amendments to Agreement No. 30-174-1/2014-BB-USOF dated 12.07.2018 for subsidy (milestone payments) from USO Fund for provision of Submarine OFC connectivity between Mainland India (Chennai) and Port Blair and other Islands of A&N – reg.

WHEREAS the Government of India has approved to provide Submarine OFC connectivity between Mainland India (Chennai) and Port Blair and other Islands of A&N from USOF under the captioned Agreement and communicated to BSNL. The approval of competent authority is hereby conveyed for amendment of clause 5.5, 5.6 & 5.7 of the Agreement as under:

5.5 Schedule of Release of Funds:

- a) Fund requirement for project execution will be projected by BSNL in accordance with the PO placed on the vendor/successful bidder. Release of fund shall be contingent upon physical progress and utilization of fund. Hence BSNL will submit utilization certificate in accordance to rule 238 of GFR Rules 2017 and CVC guidelines.
- b) For each activity and payment due as per PO, BSNL will raise advance invoice to the CCAs along with the details of the activity strictly in accordance with the PO linked to advance invoice raised by vendor on BSNL. CCAs will process the claims immediately after the receipt of such claims from BSNL.
- c) For any payment subsequent to payment as stated in Para5.5(b); BSNL will submit the utilization of the funds along with the proof of payment to concerned vendor as per PO. Further fund release will be contingent upon utilization and submission of requisite documents as stated in para b above.
- d) Any payment to vendor by BSNL shall be made within a period of 45 days or BSNL may indicate that the fund has been utilized for the said purpose as per requirement.

5.6 Payment of PMC shall be payable in accordance to the physical progress of project subject to a maximum of 8% of the invoice/Requisition raised by BSNL. BSNL will raise the PMC

requisition separately with the claim. Any advance released shall be adjusted against PMC first and then towards the project cost.

5.7 Release of Fund:

- a) Payments will be released as and when requisition is received from BSNL in order to ensure proper cash flow given the fact that there would be a lot of work that will be done in the coming months and limiting the payments to quarters will lead to cash flow issues in such an important project.
- b) CCA will release the payments as & when due and take authorization at the end of said quarter for monitoring purpose.
- c) The claims of BSNL would be said to be settled only after adjustment & recovery of any pending LD, Penalties, outstanding dues, etc. as per the Agreement or recovery of inadmissible/excess funding as ascertained on the basis of scrutiny, sample physical verification conducted by CCA office to authenticate the claims, during the Agreement period, as per instructions issued thereunder or as per the report of the IMA.

All other terms and conditions of the said agreement shall remain unchanged and the relevant provisions of the Agreement, as well as the instruction/guidelines/directions issued/to be issue there under, shall also be applicable.

This is issued with the approval of Administrator, USOF.

Burde
6/11/19

(Vilas Burde)
Director (VSB) USOF
Tele: 23724623

To,

CMD BSNL,
H.C Mathur Lane,
Janpath, New Delhi - 110001

Copy to:

- i. Sr. PPS to Administrator, USOF
- ii. Addl. Administrator (F)
- iii. Pr. CCA, Tamil Nadu – for necessary action as per above.
- iv. CGM (STP), BSNL, Chennai