

1-6/2005-USOF (Pt.) / 76-97
Ministry of Communications & IT
Universal Service Obligation Fund Administration
Sanchar Bhawan, New Delhi-110001

Dated: 7th April, 2011

To

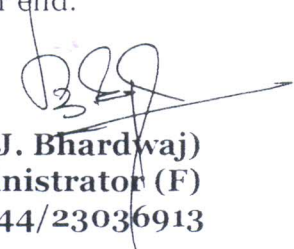
All Pr. CCAs/CCAs

Sub.: Modification in term and condition of the Agreement no. 30-130/2004-USF dated 10.11.2004 effective from 10.11.2004- reg extension of rollout period.

Sir/Madam,

I am directed to forward a copy of letter No. 30-130/2011-USF dated 04.04.2011 received from Director (T-I), USOF, Department of Telecom, New Delhi, on the subject cited above for information and necessary action at your end.

Encl.: As above


(J. Bhardwaj)
Asstt. Administrator (F)
Tele.No.23753844/23036913

Government of India
Department of telecommunications
Office of administrator, USO fund

No. 30-130/2011-USF

Dated: 04.04.2011

Shri D. P. Singh,
General Manager (RN)
Bharat Sanchar Nigam Limited
Statesman House, 148 Barakhamba Road
New Delhi - 110 001

Sub: Modification in terms and conditions of the agreement no. 30-130/2004-USF dated 10.11.2004 effective from 10.11.2004 – regarding extension of rollout period

Agreements [No. 30-130/2004-USF dated 10.11.2004] were signed with BSNL to provide subsidy support for provision of Village Public Telephones (VPTs) in 66822 numbers of uncovered villages for 12 service areas in the country. Subsequently on the request of BSNL, the number of uncovered villages to be provided with VPT facility under the said agreement was revised to 62302, vide this office letter dated 05.01.2010.

2. As per clause 25.0 Schedule-II Part-V: Operating Conditions of the said Agreement, the roll out period was prescribed as three years in phases of 20%, 40% and 40% respectively. The roll out period was subsequently extended by one year to 30.11.2008 vide this office letter no. 30-130/2007-USF (Vol. VIII) dated 30.05.2008 and again by one more year to 30.11.2009 vide this office letter no. 30-130/2007-USF (Vol. VIII) dated 04.02.2009. The roll out period was extended third time up to 30.09.2010 vide this office letter no. 30-130/2007-USF (Vol. IX) dated 25.06.2010. However, VPTs provided during the extended period i.e. after 10.11.2009 entail imposition of LD charges as per the terms and conditions of the Agreement.

3. Considering the request of BSNL and in exercise of the powers conferred upon the Administrator USO Fund under Clause 5.1 Schedule-II Part-I: General Conditions of the captioned Agreement, the undersigned has been directed to convey the approval of the Administrator USO Fund to extend the rollout period for the aforesaid agreements **up to 28.02.2012**. However, VPTs that are not provided as per the rollout required to be achieved by the end of second and fifth year respectively from the effective date of the Agreement, shall entail imposition of LD charges as per the terms and conditions of the Agreement. The modified rollout clause of the said Agreement shall be as per details given below:

25.0 Roll out (Existing Clause)

At least 20% of the VPTs in the Service Area for which the Agreement is signed shall be provided by the Universal Service Provider within one year from the effective date of the Agreement and a minimum of 60 % of VPTs in the Service Area shall be provided by the end of 2nd year. The balance of the VPTs shall be provided by 30-09-2010. For the VPTs that are not provided as per the Roll-Out required to be achieved by the end of second and fifth year respectively from the effective date of the Agreement, the delayed period shall entail recovery

Administrator (Finance)
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Handwritten notes and signatures:
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DATE: 05/04/11
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of Liquidated Damages (L.D.). The USP shall provide a monthly statement in Annexure-V containing details of the VPTs provided during the month.

For the shortfall in providing the required number of VPTs by the end of second and fifth year respectively, the Administrator shall be entitled to recover Liquidated Damages at the rate of 5% of front loaded subsidy payable for those VPTs for each calendar month of delay or part thereof, subject to a maximum of 10% of the front loaded subsidy thus payable for those VPTs. For the purpose of charging the Liquidated Damages, the Average of the Representative Rates for the front loaded subsidy of all the SSAs in the Service Area for which the Agreement has been signed, shall be taken into account. The Administrator may also decide to invite fresh bids in respect of unfulfilled roll out.

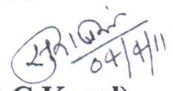
25.0 Roll out (Modified Clause)

At least 20% of the VPTs in the Service Area for which the Agreement is signed shall be provided by the Universal Service Provider within one year from the effective date of the Agreement and a minimum of 60 % of VPTs in the Service Area shall be provided by the end of 2nd year. **The balance of the VPTs shall be provided by 28-02-2012.** However, for the VPTs that are not provided as per the Roll-Out required to be achieved by the end of second and fifth year respectively from the effective date of the Agreement, the delayed period shall entail recovery of Liquidated Damages (L.D.). The USP shall provide a monthly statement in Annexure-V containing details of the VPTs provided during the month.

For the shortfall in providing the required number of VPTs by the end of second and fifth year respectively, the Administrator shall be entitled to recover Liquidated Damages at the rate of 5% of front loaded subsidy payable for those VPTs for each calendar month of delay or part thereof, subject to a maximum of 10% of the front loaded subsidy thus payable for those VPTs. For the purpose of charging the Liquidated Damages, the Average of the Representative Rates for the front loaded subsidy of all the SSAs in the Service Area for which the Agreement has been signed, shall be taken into account. The Administrator may also decide to invite fresh bids in respect of unfulfilled roll out

4. You are, therefore, required to send one copy of this letter duly signed by the authorized signatory of the company in token of acceptance of the above said modifications and submit the same for record and further action in this office.

Enclosure: one additional copy of this letter, which is to be returned back duly signed


(S C Karol)
Director (T-1), USOF

Copy to:

✓ Jt. Administrator (F), USO Fund, DoT, New Delhi