

No.1-6/2005-USOF (Pt.) / 592-616  
Ministry of Communications & IT  
Department of Telecommunication  
Universal Service Obligation Fund Administration  
Sanchar Bhawan, New Delhi-110001

Dated 5th June, 2008

To  
All Sr.CCA/CCAs/Jt. CCAs

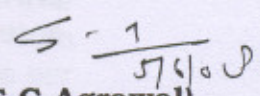
Sub: **Modification in terms and conditions of the Agreement No. 30-130/2004-USF – Regarding extension of roll out period for provision of VPTs in uncovered villages**

Sir/Madam,

I am directed to forward a copy of letter no. 30-130/2004-USF (Vol.III) dated 30.05.2008 from Dy. Administrator (Tech.) USOF Dept. of Telecom. Sanchar Bhawan New Delhi on the above subject for information and for further necessary action at your end.

Encl. As above

Yours faithfully

  
(S.C.Agrawal)

Assistant Administrator (F)  
Tele. No. 23372430/ 23036754

9-352  
426

No.30-130/2007-USF (Vol. VIII)  
Government of India  
Department of Telecommunications  
Office of Administrator, USO Fund  
1409, Sanchar Bhawan, 20, Ashoka Road, New Delhi-110001

Dated 30.05.2008

To

Shri A.N. Rai,  
DDG (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 - Regarding extension of roll out period for provision of VPTs in uncovered villages**

Dear Sir,

Agreements No. 30-130/2004-USF were signed with M/s BSNL in November 2004 to provide subsidy support for provision of VPTs in 66822 no. of uncovered villages for various service areas in the country.

2. As per Clause 25.0 Schedule-II Part-V: Operating Conditions of the said Agreement, the roll out period has been prescribed as three years in phases of 20%, 40% and 40% respectively. The request received from DDG (RN) BSNL vide letter dated 31.03.2008 for extension of roll out period for provision of VPTs under the aforesaid agreements has been examined and accepted by the competent authority.

3. In exercise of the powers conferred to the Administrator USO Fund under Clause 5.1 Schedule-II Part-I: General Conditions of the captioned Agreement, I have been directed to convey the approval of the Administrator USO Fund to modify the roll out clause of the said Agreement as per details given below:

Existing Conditions

Schedule-II Section-IV: Operating Conditions

25.0 Roll Out

At least 20% of the VPTs 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 shall be provided by the end of 2<sup>nd</sup> year. The balance of the VPTs shall be provided by the end of third year from the effective date of Agreement. For the VPTs that are not provided as per the Roll-Out required to be achieved by the end of second and third year

For Circulation

AM  
27/6  
DDG (RN)

DDG (RN)

Ad (22/6/08)

27/6/08

respectively from the effective date of the Agreement, without prior written concurrence of the Administrator, 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.

Provided further, that for the VPTs 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 VPTs by the end of second and third 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 Representative rate for the front loaded subsidy applicable for the respective SSA in the Service Area, where the relevant roll out obligation of providing VPTs has not been fulfilled, shall be taken into account. The Administrator may also decide to invite fresh bids in respect of unfulfilled roll out.

### **Modified Conditions**

#### **Schedule-II Section-IV: Operating Conditions:**

##### **25.0 Roll Out**

At least 20% of the VPTs 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 shall be provided by the end of 2<sup>nd</sup> year. The balance of the VPTs shall be provided by the end of ~~third~~ **fourth** year from the effective date of Agreement. For the VPTs that are not provided as per the Roll-Out required to be achieved by the end of second ~~and third~~ **fourth** year respectively from the effective date of the Agreement, without prior written concurrence of the Administrator, 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.

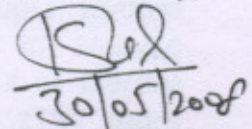
Provided further, that for the VPTs that are provided within 30 calendar days of the expiry of the relevant period from the effective date, the Administrator shall accept the services without levy of the L.D. charges. For the shortfall in providing the required number of VPTs by the end of second and ~~third~~ **fourth** 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 Representative rate for the front loaded subsidy applicable for the respective SSA in the Service Area, where the relevant roll out

obligation of providing VPTs has not been fulfilled, 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 get 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.

Thanking You,

Yours sincerely,



(Kamal Bhagat)

Dy. Administrator (Technical), USF

Tel. No. 011- 23372088, 011-23372157(Fax)

Encl: One additional copy of this letter to be returned back duly signed

Copy to:

✓ Joint Administrator (F), USO Fund

संयुक्त प्रशासक (वित्त)  
Joint Administrator (Finance)  
क्र. सं./No. 697  
दिनांक/Date 26/08