

6. Pilot Wi-Fi Hotspots RailTel:

Introduction

The Agreement shall be subject to the terms and conditions (including transfer, assignment or franchising) of Internet Service Provider (ISP) / Unified License (UL) as applicable.

The Universal Service Provider (USP) i.e M/s RailTel Corporation of India Limited shall be bounded by the terms and conditions of the Agreement or any other instructions issued from time-to-time by the Administrator.

The USP shall always be liable to perform the obligations under this Agreement for Provision of specified Services in Identified areas for which the Agreement has been entered into during the validity period of the Agreement.

Timelines

The Rollout period for setting up 200 Wi-Fi Hotspots shall be six months from the date of signing of the Agreement dated 18-09-2017.

The Evaluation/impact Assessment shall be carried out and submitted to USOF by USP within 6 to 12 months from the signing of the Agreement dated 18-09-2017.

USP will operate the sites and deliver service during Validity of Agreement.

The USP shall provide the month-wise Rollout plan to implement the project within 15 days of signing of the agreement dated 18-09-2017.

Duration of Agreement

The Agreement shall be valid for a period of three years (36 Months) from the effective date unless revoked earlier for reasons as specified elsewhere in the document.

Financial Agreement

Between Administrator USOF & M/s Railtel Corporation of India Limited

Subsidy from USOF: -

USOF would fund the entire Capital Expenditure (CAPEX) incurred for setting up "Wi-Fi-Hotspot" in 200 Rural Railway Stations and the CAPEX subsidy shall be payable on successful installation and commissioning.

USOF or the concerned CCA office would also fund the entire OPEX incurred for operation and maintenance for one year. The extension of subsidy support from USOF beyond one year shall be based on the findings of the independent evaluation/impact assessment study of the efficiency and utility of the technology and commercial model deployed by the USP.

Subsidy position is given as under.

S.No.	Item	Cost of 200 Sites
1	CAPEX w/o Centage	16.74 Cr.
2	OPEX per year	6.96 Cr.
3	OPEX Bandwidth Charges (10MBps)	2.40 Cr.
4	PMC/Centage (10% of Capex)	1.67 Cr.
	Total	27.77 Cr.

Disbursement of Subsidy: -

Release of Fund	% of CAPEX	No. of Wi-Fi sites
1 st Instalment	50	Mobilization Advance
2 nd Instalment	40	After completion of sites in 50% of each circle
3 rd Instalment	10	After commission of sites in 100% of each circle.

Project Management Charges/Centage equivalent to 10% of the CAPEX claimed and payable shall be payable to USP on 100% commissioning of the physical target for a circle, subject to submission of claim statement by USP.

USP shall submit the quarterly claim for subsidy for CAPEX and OPEX, with each quarter ending on 30th June, 30th September, 31st December and 31st March along with supporting documents within 30 days of the end of quarter to the respective CCAs.

Liquidated Damages: -

For the Wi-Fi-Hotspots, not provided as per the rollout period, without prior written concurrence of the Administrator, the delayed period shall entail recovery of LD at the rate of 2.5% of CAPEX subsidy payable amount for a Wi-Fi hotspot for each

calendar month of delay in commissioning of part thereof subject to maximum of 10%.

In case the USP is found to have claimed and received in excess of 10% of the subsidy due to them, the entire amount shall be recovered along with interest from the date of disbursement at the Prime Lending Rate (PLR) of SBI prevalent on the day the disbursement was made.

7. Pilot WiFi Hotspots BSNL: -

Introduction

The Agreement shall be subject to the terms and conditions (including transfer, assignment or franchising) of internet service provider (ISP) / Unified License (UL) as applicable.

The Universal Service Provider (USP) i.e. M/s Bharat Sanchar Nigam Limited shall be bounded by the terms and conditions of the Agreement or any other instructions issued from time to time by the Administrator.

The USP shall always be liable to perform the obligations under this Agreement for Provision of specific Services in Identified areas for which the Agreement has been entered into during the valid period of the Agreement.

Scope of the Agreement

The object of the scheme is to provide last mile connectivity leveraging BharatNet infrastructure for providing broadband services in Gram Panchayat (GPS) and villages.

USP shall set up Wi-Fi hotspots at 200 Gram Panchayat (GP) using BharatNet end-point at GPs. The target end-user devices would be Wi-Fi enabled devices like smartphone, tablets and Laptops etc.

This project aims to test the robustness and feasibility & commercial viability of the model being deployed by the USP. USOF shall provide financial support as per the Financial Conditions of the Agreement.

The infrastructure created under this project shall be owned by Bharat Sanchar Nigam Limited.

Deliverables

The USP shall be solely responsible for apply, installation, testing, commissioning, operation & Maintenance of all the infrastructure created under the project for setting up of Wi-Fi

hotspots in 200 Gram Panchayats, including their associated core network.

USP shall provide broadband internet over Wi-Fi on Non-discriminatory basis to all the users.

USP shall setup 3 Access Point (AP) for each Wi-Fi hotspot, using BharatNet network as backhaul. USP shall provide 10 Mbps internet bandwidth at each hotspot.

Timelines

The Rollout period for setting up 200 Wi-Fi hotspots shall be six months from the date of signing of the Agreement dated 08-11-2017.

The Evaluation/Impact Assessment shall be carried out and submitted to USOF by USP within 6 to 12 months from the signing of the USOF agreement 08-11-2017.

On the basis of the evaluation (impact assessment), Administrator, USOF shall decide about the continuance of services beyond OPEX subsidy period by the USP. In the intervening period, the USP shall continue to operate the services. The USP shall provide the month-wise Rollout plan to implement the project within 15 days of signing the agreement.

Duration of Agreement

The Agreement shall be valid for a period of 03 years from the effective date unless revoked earlier for reasons as specified elsewhere in the document.

Financial Agreement

Between Administrator USOF & M/s Bharat Sanchar Nigam Limited

Subsidy for Universal Service Obligation: -

USOF would fund the entire Capital Expenditure (CAPEX) incurred for setting up 'Wi-Fi Hotspots' at 200 GPs and the CAPEX subsidy shall be payable on successful installation and commissioning of 'Wi-Fi Hotspots in 200 GPs.

USOF would also fund the entire OPEX incurred for operation & maintenance for one year. The extension of subsidy support from USOF beyond one year shall be based on the findings of the independent evaluation/impact assessment study of the efficacy & utility of the technology & commercial model deployed by the USP.

Subsidy position is given as under.

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S.No.	Item	Cost of 200 Sites
1	CAPEX w/o Centage	9.00 Cr.
2	OPEX per year w/o Centage	2.25 Cr.
3	OPEX Bandwidth Charges (10MBps)	2.64 Cr.
4	PMC/Centage (10% of S.No. 1 & 2)	1.11 Cr.
	Total	15.00 Cr.

Disbursement of Subsidy: -

Release of Fund	% of CAPEX	No. of Wi-Fi sites
1 st Instalment	50	Mobilization Advance
2 nd Instalment	40	After completion of sites in 50% of each circle
3 rd Instalment	10	After commission of sites in 100% of each circle.

Project Management Charges/Centage equivalent to 10% of the CAPEX claimed and payable shall be payable to USP on 100% commissioning of the physical target for a circle, subject to submission of claim statement by USP.

USP shall submit the quarterly claim for subsidy for CAPEX and OPEX, with each quarter ending on 30th June, 30th September, 31st December and 31st March along with supporting documents withing 30 days of the end of quarter to the respective CCAs.

Liquidated Damages: -

For the Wi-Fi-Hotspots, not provided as per the rollout period, without prior written concurrence of the Administrator, the delayed period shall entail recovery of LD at the rate of 2.5% of CAPEX subsidy payable amount for a Wi-Fi hotspot for each calendar month of delay in commissioning of part thereof subject to maximum of 10%.

In case the USP is found to have claimed and received in excess of 10% of the subsidy due to them, the entire amount shall be recovered along with interest from the date of disbursement at the Prime Lending Rate (PLR) of SBI prevalent on the day the disbursement was made.

8. 354 Uncovered Villages Project:

Introduction

On 21.02.2019, Digital Communications Commission (DCC) approved the pilot project for mobile connectivity in uncovered areas of Ladakh and Kargil [J&K region], border areas and other priority areas on technology neutral outcome-based approach.

The project envisages to provide mobile coverage to 354 uncovered villages by installing 354 mobile towers at cost of Rs. 336.89 Cr. An agreement has been signed with M/s. Reliance Jio Infocomm Ltd. on 28.04.2020. The USP shall be bound by the terms and conditions of the Agreement or any other instructions issued from time to time by the Administrator during the validity period of the Agreement.

Scope of the Agreement:

USP shall provide specified mobile services by installing 354 mobile towers as per list enclosed in the Agreement.

USOF shall provide financial support as per the Financial Conditions of the Agreement.

Objective of the scheme is to provide financial support from USO Fund for Provision of Mobile coverage and telecom services in uncovered villages as part of 354 uncovered villages project to be made available in the entire geographical range of village area.

The USP shall set up (i.e. supply, install, test, commission), operate, maintain and manage the respective infrastructure sites required for effective provision of mobile coverage in uncovered villages as part of 354 Uncovered Villages Project and provide mobile services as per the terms and conditions laid down in the Agreement.

Deliverables:

Deliverables of the Scheme shall be provision of mobile coverage connectivity in specified hitherto uncovered village locations, as per the terms and conditions of the USOF Tender. It shall include, inter alia, commissioning of infrastructure and continued provision of mobile services in inhabited and uncovered villages in compliance with DoT Licenses and TRAI Regulations, as applicable.

Duration of Agreement:

The Agreement will remain valid for eleven (11) years & three months unless revoked earlier for any reason whatsoever.

Date of effect of this Agreement shall be the date of signing of the agreement.

Financial Agreement

Between Administrator USOF & M/s Reliance Jio Infocomm Limited

Subsidy from USOF: -

Support shall be payable as Representative Rate for each site arrived on the basis of the outcome of bidding process.

The Representative Rate of Subsidy emerging from the bidding process which shall be specified in the Agreements shall be disbursed in INR to the USP for the scheme in the two parts -

- o 1. Front Loaded Subsidy (FLS)
- o 2. Equated Quarterly Subsidy (EQS)

First part shall be due and payable @ 49% of Representative Rate, as an FLS at the time of successful commissioning of BTS and provision of 4G based mobile service from identified sites.

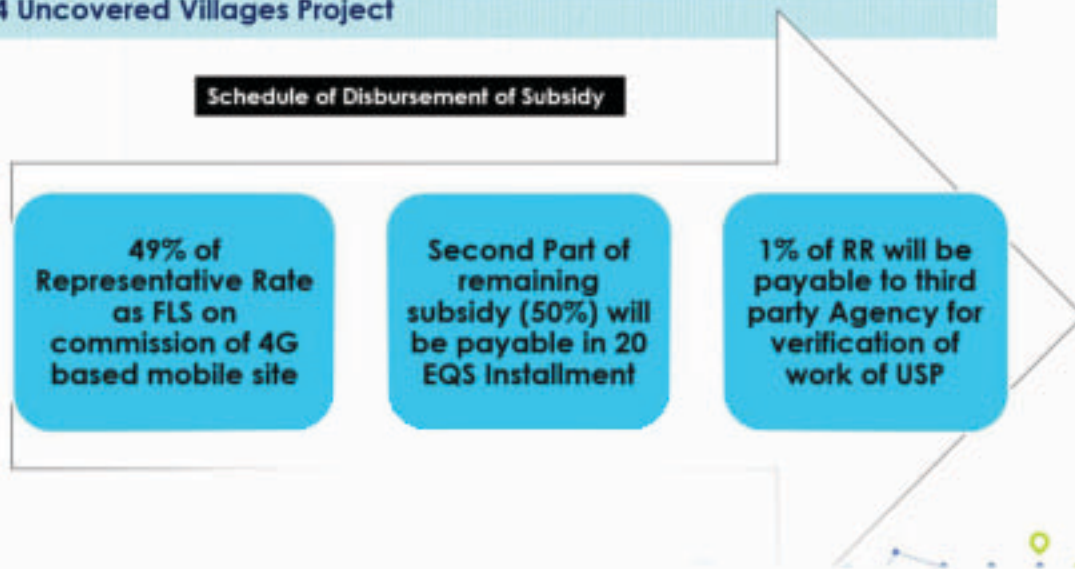
Second part of remaining subsidy (50%), for each site shall be payable in 20 equated quarterly Subsidy (EQS). These EQS shall be payable over a maximum period of 5 years from the date of commissioning of BTS i.e. commissioning of mobile services from the sites identified under the agreement or up to the expiry of currency of agreement, whichever is earlier.

The Administrator, USOF shall appoint Third Party Agency (TPA) as per departmental procedure to whom maximum 1% of Representative Rate of subsidy emerging from the bidding process will be paid directly. Further Equated Quarterly Instalment shall be released after verification by a Third-Party Agency, unless specified otherwise by Administrator.

The USP shall be eligible to submit the claim for FLS (49%) withing 30 days from end of quarter in which the 4G based mobile services are commissioned.

The EQS of remaining 50% subsidy form USOF shall be disbursed by the respective CCA office in 20 quarterly instalments during each financial year, within 30 days from end of the quarter.

354 Uncovered Villages Project



Penalty for Interruption: -

- o Deduction in Subsidy (EQS) shall be made from USP on pro-rata basis, if there is interruption in service for more than 43.2 hours (cumulatively) in a quarter.
- o The entire EQS shall not be payable for the particular site, if there is interruption in service for 45 days or more in a quarter.

In case the USP is found to have claimed and received in excess of 10% of the subsidy due to them, the entire amount shall be recovered along with interest from the date of disbursement at the Prime Landing Rate (PLR) of SBI prevalent on the day the disbursement was made.

Bank Guarantees: -

- o The USP shall submit a Performance Bank Guarantee (PBG) to Administrator valid for 2 years for each bidding unit where the work is awarded to USP, from any schedule bank in India.
- o The amount of PBG shall be equivalent to 5% of total subsidy amount payable to the USP for the entire bidding unit.
- o The PBG must be submitted within 15 days of issue of letter of intent and before signing of the Agreement.
- o Without prejudice to its rights of any other remedy, Administrator may encash bank guarantees and forfeit the amount upon any failure of performance of the term and conditions of Agreement by the USP.

Non-Performance Penalty: -

- o In case, USP fails to commission and provide 4G based mobile services from a site within 6 months of the expiry of the roll-out

period, non-performance penalty @ 5% of the Representative Rate per site shall be payable.

9. **502 Uncovered Villages Project:**

Provision of 4G based Mobile Services in 502 Uncovered Villages Project in Bihar, MP, Rajasthan & UP:

Introduction: -

The project envisages to provide mobile coverage to 502 identified uncovered villages by installing 462 mobile towers in states of Uttar Pradesh, Bihar, Madhya Pradesh & Rajasthan.

Sl No.	Bidding Unit	Agreement with	No. of Aspirational Districts	No. of villages to be covered	No. of sites
1	Madhya Pradesh	Reliance Jio	8	205	194
2	Uttar Pradesh	Infocomm Ltd.	6	22	20
3	Bihar	Bharti Airtel	5	80	62
4	Rajasthan	Bharti Hexacom	5	195	186
Total			24	502	462

The USPs shall be bound by the terms and conditions of the Agreement or any other instructions issued from time to time by the Administrator during the validity period of the Agreement.

Scope of the Agreement:

USPs shall provide 4G based mobile services by installing 462 mobile towers.

USOF shall provide financial support as per the Financial Conditions of the Agreement.

Objective of the scheme is to provide financial support from USO Fund for a period of five years, for Provision of 4G based Mobile Services in identified Uncovered Villages in Aspirational Districts in the state of Uttar Pradesh, Bihar, Madhya Pradesh & Rajasthan.

The USPs shall set up (i.e. supply, install, test, commission), operate, maintain and manage the respective infrastructure sites required for effective Provision of 4G based Mobile Services in identified Uncovered Villages in Aspirational Districts in the state of Uttar Pradesh, Bihar, Madhya Pradesh & Rajasthan as per the terms and conditions laid down in the Agreement.

Deliverables:

Deliverables of the Scheme shall be provision of mobile coverage in specified hitherto uncovered village clusters, as per the terms and conditions of the USOF Tender. It shall include, inter alia, commissioning of infrastructure and continued provision of 4G based mobile services in inhabited areas of specified uncovered villages in Aspirational Districts in the state of Uttar Pradesh, Bihar, Madhya Pradesh & Rajasthan in compliance with DoT Licenses and TRAI Regulations, as applicable.

Duration of Agreement:

The Agreement will remain valid for 12 months (rollout period) + Ten years unless revoked earlier for any reason whatsoever. Date of effect of this Agreement shall be the date of signing of the agreement.

Financial Agreement

Between Administrator USOF & M/s Reliance Jio Infocomm Limited

Between Administrator USOF & M/Bhathi Airtel Limited

Between Administrator USOF & M/Bharti Hexacon Limited

Subsidy from USOF: -

Support shall be payable as Representative Rate for each site arrived on the basis of the outcome of bidding process.

The Representative Rate of Subsidy emerging from the bidding process which shall be specified in the Agreements shall be disbursed in INR to the USP for the scheme in the two parts -

- o 1. Front Loaded Subsidy (FLS)
- o 2. Equated Quarterly Subsidy (EQS)

First part shall be due and payable @ 49% of Representative Rate, as an FLS at the time of successful commissioning of eNode-B and provision of 4G based mobile service from identified sites.

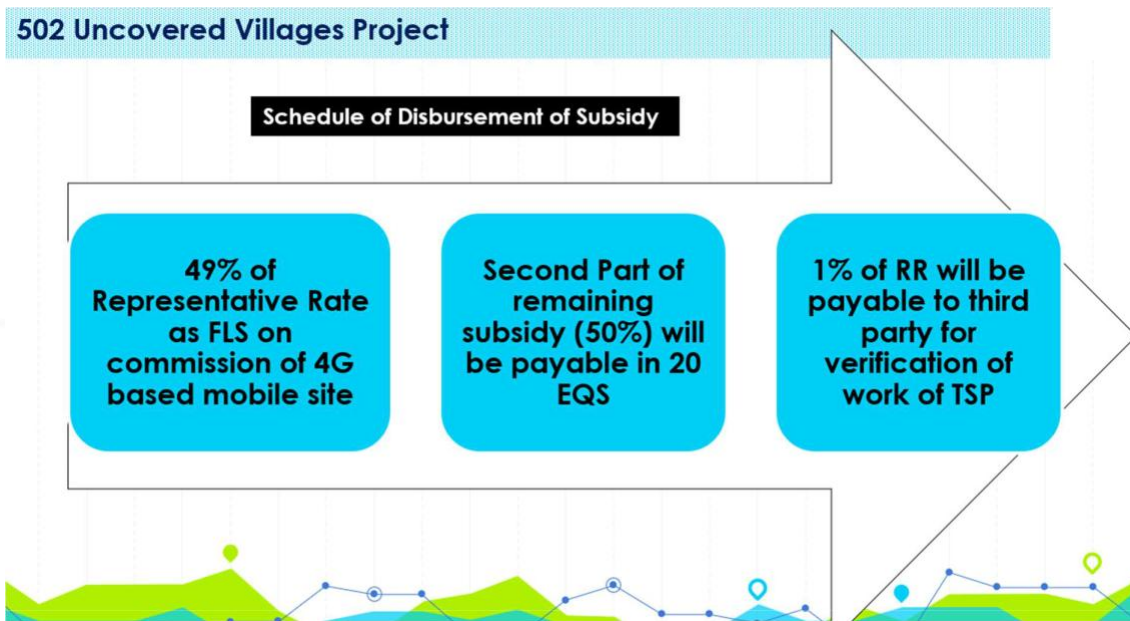
Second part of remaining subsidy (50%), for each site shall be payable in 20 equated quarterly Subsidy (EQS). These EQS shall be payable over a maximum period of 5 years from the date of commissioning of e-Nod-

B i.e. commissioning of 4G based mobile services from the sites identified under the agreement or up to the expiry of currency of agreement, whichever is earlier.

The Administrator, USOF shall appoint Third Party Agency (TPA) as per departmental procedure to whom maximum 1% of Representative Rate of subsidy emerging from the bidding process will be paid directly. Further Equated Quarterly Instalment shall be released after verification by a Third-Party Agency, unless specified otherwise by Administrator.

The USP shall be eligible to submit the claim for FLS (49%) withing 30 days from end of quarter in which the 4G based mobile services are commissioned.

The EQS of remaining 50% subsidy form USOF shall be disbursed by the respective CCA office in 20 quarterly instalments during each financial year, within 30 days from end of the quarter.



Penalty for Interruption: -

- o Deduction in Subsidy (EQS) shall be made from USP on pro-rata basis, if there is interruption in service for more than 43.2 hours (cumulatively) in a quarter.
- o The entire EQS shall not be payable for the particular site, if there is interruption in service for 45 days or more in a quarter.

In case the USP is found to have claimed and received in excess of 10% of the subsidy due to them, the entire amount shall be recovered along

with interest from the date of disbursement at the Prime Landing Rate (PLR) of SBI prevalent on the day the disbursement was made.

Bank Guarantees: -

- o The USP shall submit a Performance Bank Guarantee (PBG) to Administrator valid for 6 months beyond the validity of agreement for each bidding unit where the work is awarded to USP, from any schedule bank in India.
- o The amount of PBG shall be equivalent to 3% of total subsidy amount payable to the USP for the entire bidding unit.
- o The PBG must be submitted within 15 days of issue of letter of intent and before signing of the Agreement.
- o Without prejudice to its rights of any other remedy, Administrator may encash bank guarantees and forfeit the amount upon any failure of performance of the term and conditions of Agreement by the USP.

Non-Performance Penalty: -

- o In case, USP fails to commission and provide 4G based mobile services from a site within 6 months of the expiry of the roll-out period, non-performance penalty @ 5% of the Representative Rate per site shall be payable.

Exit Policy: -

- o A notice of 90 days (3 months) shall have to be given by USP seeking exit from the entire scheme in a bidding unit to Administrator, USOF.
- o Date of exit shall be the date of expiry of 90 days/3 months' notice for exit as given by the USP seeking exit.
- o USP shall pay 50% of the total subsidy amount payable to the USP till the time of exit for the bidding unit as penalty.

10. Hiring/Restoring of 10 Gbps International Bandwidth for Internet connectivity to Agartala from BSCCL (Bangladesh Submarine Cable Company Limited), Bangladesh

Highlights

Agreement was signed between Universal Service Obligation Fund (USOF) & M/s Bharat Sanchar Nigam Limited (BSNL).

Date of Agreement: 18-08-2021.

The validity of the Agreement is 3 years (36 months).

Objective is to provide the internet services on non – discriminatory basis to all users.

The purpose of hiring the bandwidth is to resolve the issues pertaining to slow internet speed, high congestion and high latency of Internet

Traffic to AGARTALA (NER) from BSCCL, Bangladesh via Cox Bazar/Kuakata.

USOF shall provide the financial support of Rs. 9.3781 Crores.

Financial Agreement

Between Administrator USOF & M/s Bharat Sanchar Nigam Limited

Subsidy from USOF: -

- o USOF shall provide financial support as per below table from the actual date of hiring/restoration of 10Gbps International Bandwidth for Internet connectivity to Agartala from BSCCL, Bangladesh via Cox Bazar/Kuakata.

S.No.	USOF Subsidy for 1 st Year	USOF Subsidy for 2 nd Year	USOF Subsidy for 3 rd Year
1	3.19 Crore	3.11 Crore	3.07 Crore

- o The quotes received from M/s BSCCL, Bangladesh for 3 Years are as under

One Time Charges (OTC) for 10 G : 3000 USD

Monthly Recurring Charges (MRC)

Capacity	Price for 1 st Year (USD)	Price for 2 nd Year (USD)	Price for 3 rd Year (USD)
10 Gbps	46000	45000	44500

- o Schedule of Disbursement of Subsidy: -

For Year	Instalment	Condition
1	First instalment of 100% of Subsidy	Hiring/Restoration of 10Gbps International connectivity subject to submission of claim/demand from BSNL
2	Second instalment of After 100% of Subsidy	12 months from effective date of Agreement subject to utilization of 1 st year advance

3	Third instalment of 100% of Subsidy	After 24 months from effective date of Agreement subject to utilization of 1 st year advance
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- o In case the USP is found to have claimed and received in excess of 10% of the subsidy due to them, the entire amount shall be recovered along with interest from the date of disbursement at the Prime Lending Rate (PLR) of SBI prevalent on the day the disbursement was made.

Maintenance and Supply of Records:

- o The Administrator shall have the right to call for and USP shall be obliged to maintain, supply and provide for examination the relevant books of accounts, measurement books, log books and any record(s) relating to business
- o USP 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 and approved accounts of the company. Any dereliction thereof shall be treated as a material breach independent of any other breach, sufficient to give cause for cancellation of the Agreement.

11. Submarine OFC Connectivity between Mainland India and A & N Islands:

Introduction

BSNL shall be bound by the terms and conditions of the Agreement and any other instructions issued from time-to-time by the Administrator. BSNL shall always be liable to perform the obligations under this Agreement for the works related to the provision of Submarine OFC connectivity between mainland India and Port Blair and seven other Island of A&N for which the Agreement has been entered into during the validity period of the Agreement.

Scope of the Agreement:

BSNL the Project Execution Agency shall set up and provide (i.e, procure, install, test and commission) the network and associated infrastructure for effect provision of an India (Chennai) and Port Blair & seven other islands of ANI viz. Little Andaman, Car Nicobar, Havelock, Kamorta, Great Nicobar, Long Island and Rangat

BSNL shall provide: Creation of requisite infrastructure for dry plant i.e. construction of BMH (Beach Manhole) and CLS (Cable Landing Station) etc. at Port Blair (BSNL owned building) and at new buildings at eight locations (Chennai, Little Andaman, Car Nicobar, Havelock, Kamorta, Great Nicobar, Long Island and Rangat) to hose the equipment to be installed under the CANI submarine OFC project.

Trenching and laying of Land OFC cable between BMH and CLS by providing redundancy Necessary funding towards CAPEX for creation of assets/infrastructure would be made by USOF to BSNL in accordance with this Agreement and the instruction issued there under by the Administrator.

Duration of the Agreement:

This agreement will remain valid for Seven years from the Effective Date of signing of the Agreement.

Rollout:

BSNL shall have to commission submarine OFC network connecting Chennai with eight islands of A&N given in Agreement within 24 months from the effective date of the Agreement.

BSNL shall submit an indicative roll out plan for this project for each segment within four weeks period from the date of signing of the Agreement.

The Rollout period may be extended, if deemed fit, by the Administrator under exceptional circumstances.

Extension of Agreement:

The Administrator may extend, if deemed expedient, the validity of the Agreement for such period and on such terms as may be mutually agreed. The decision of the Administrator shall be final in this regard.

Modification in the Terms and Conditions of Agreement:

The Administrator reverses the right to modify at any time the terms and conditions of the Agreement, in consultation with BSNL, if in the opinion of the Administrator it is necessary or expedient to do so in 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.

Financial Conditions

Between Administrator USOF & M/s Bharat Sanchar Nigam Limited & UT
Administration of A&N

The Net Annual Operation Expenditure (net OPEX) i.e. OPEX minus Revenue, as per actual in form of Viability Gap Funding (VGF) to be provided by MHA/UT Administration of A&N for initial 5 Years from date of commissioning.

Subsequently, at the end of the initial term of 5 years, a decision would be taken by USOF/ Department of Telecom regarding further VGF based funding of net OPEX based on the actual revenue and actual cash outflow towards O&M and future projections.

UT Administration of A&N will make sufficient provision in its annual plan allocation from the year 2020-21 for 5 years from the date of commissioning of project to meet the net operational expenditure for the project as VGF.

Revenue From CANI Project: -

- o The access to bandwidth created under CANI project will be permitted to all eligible DoT licensee on non-discriminatory basis at applicable tariff basis.
- o The introductory tariff has been finalized by USOF/DoT through a tariff committee where the representative of UT Administration also participated.

BSNL has entered into an agreement with M/s SEAIOCMA for Wet Plant Maintenance. The Wet Plant Maintenance charges to payable to SEAIOCMA is Rs.28 Cr.

Operation and maintenance cost will be issued to BSNL as Rs.2.59Cr. for the work of NOC.

Operation and Administrative expense of BSNL will be Rs.15Cr.

12. Augmentation of Bandwidth in ANI

Highlights

DCC (Digital Communications Commission) meeting on 13.06.2019 approved the proposal for expenditure for augmentation of satellite bandwidth from 2 to 4 Gbps by BSNL for A&N Islands.

BSNL was nominated to execute the project on the basis of Detailed Project Report submitted by BSNL.

Agreement was signed on 13.04.2020 between Universal Service Obligation Fund (USOF) and M/s Bharat Sanchar Nigam Ltd. (BSNL). Responsibility of BSNL to augment 2 to 4 Gbps by setting up of new ground segment equipment and other infrastructure. USOF agreed to provide Capital Expenditure incurred by BSNL for the work allotted under the project as per the tender discovered rates of Rs 36.3856 Crores in the form of subsidy.

Financial Conditions

Between Administrator USOF & M/s Bharat Sanchar Nigam Limited

SUBSIDY FROM UNIVERSAL SOCIAL OBLIGATION FUND

Funding from USOF shall be limited to the Capital Expenditure (CAPEX) of Rs 36.3856 Cr as approved by DoT/USOF.

BSNL shall submit claim, linked to segment and various stages of milestones, along with the physical and financial progress report and other supporting documents.

Release of Fund	% of CAPEX	No. of Wi-Fi sites
Mobilization Advance	10% of cost	Preparatory Activities
1st Instalment	50% of (Payment made as mobilization advance shall be adjusted this stage.)	Subsidy After Bandwidth augmentation of 25% of sites
2nd Instalment	40% of Subsidy	After Bandwidth augmentation of 80% of sites
3rd Instalment	10% of Subsidy	After Bandwidth augmentation of 100% of sites

Maintenance and Supply of Records:

The Administrator shall have the right to call for and USP shall be obliged to maintain, supply and provide for examination the relevant NOC (Network Operation Centre) data, books of accounts, measurement books, log books and any record(s) relating to NOFN.

USP shall invariably preserve all accounting records and other records/CDR (electronic as well as hard copy) for a period of

three years from the date of publishing of duly audited and approved accounts of the company. Any dereliction thereof shall be treated as a material breach independent of any other breach, sufficient to give cause for cancellation of the Agreement.

The relevant records of USP shall be subject to such scrutiny as may be prescribed by the Administrator so as to facilitate independent verification of the amount due to USP as funding from USOF.