

Bharat Sanchar Nigam Limited
(A Government Enterprises)

**Opportunity to become VAS Provider under Policy for provision of
Call Enhancement Services**

No. VAS-8/Call Enhancement Services/2020

Dated: 10th June, 2020

Proposals are invited from interested and eligible companies (named as Value Added Service Provider or VASP herein after) for providing **Call Enhancement Services based Value Added Services on non-exclusive and revenue sharing basis**. The eligible companies can offer services on USSD/SMS/DATA/3G access channels to BSNL's GSM mobile subscribers after entering into an agreement with BSNL.

The proposal, complete in all respect can be submitted on any working day. BSNL will scrutinize such proposal and will enter into an agreement within 15 days from the date of finalization of the list of services & their respective price points else will communicate deficiencies. However, BSNL reserves right to reject any proposal without assigning any reason for the same.

1. Scope of Work:

- 1.1 The objective of this proposal to launch various services to facilitate subscriber to generate more number of calls or to facilitate value added services during call completion may be added by VASP after prior approval of BSNL.
- 1.2 The platform will be deployed within BSNL premises on zonal basis at the CMTS Nodal Centre Chandigarh for North zone, at Kolkata for East Zone, at Pune for West Zone and at Trichy for South Zone or at one centralized location.
- 1.3 All infra-structure (space, power, A/C, connectivity) will be provided by BSNL free of cost in the Zonal centre as per availability. The infrastructure should be used solely for providing this service to BSNL customers.
- 1.4 All the third party hardware and software to run the complete system shall be responsibility of the VASP and that will be at their own cost.
- 1.5 The VASP and its parent VASP (if its experience is being counted for eligibility), shall be jointly and severally responsible for due performance of the contract including continued post execution support of the project. Similarly both the VASP and its parent shall be jointly and severally remain responsible for non-performance inter-alia any other act that may lead to barring of business dealing with the agency (along with partners) or banning business with them.
- 1.6 It shall be VASP's responsibility to ensure total compliance with various directions/ instructions/ guidelines/ recommendations, issued time to time, by the Licensor and/ or the Regulator without any charge from BSNL. The successful VASP shall also comply with all statutory norms/directives/ instructions/ guidelines issued by the Government Of India/ Reserve Bank of India or any other government body/ agency/ regulator. The VASP shall pledge to indemnify BSNL for any commission/ omission done or not done either advertently or inadvertently in the course of doing business so envisaged in this proposal that attracts any action in the court of law either civil or

otherwise or any tax authority or any other agency or body or constituted nominee of either under the Central or State who is so authorized to act on their behalf.

- 1.7 All the tax component and fees shall be borne by each parties separately i.e. BSNL & VASP at their own cost.
- 1.8 24/7 monitoring of the system shall be responsibility of the VASPs. All the up gradation shall be maintained by the VASPs.
- 1.9 Quality of service (QoS) as prescribed by TRAI guidelines shall be ensured by VASPs time to time.
- 1.10 In the process of operating the Services, the VASP shall be responsible for
 - i. Installation, Operation & proper maintenance of the equipment.
 - ii. Maintaining the performance and quality of service standards.
 - iii. Maintaining the MTTR (Mean Time to restore) within the specified limits of the quality of service as given below in respect of normal failures excluding catastrophes:
 - iv. 90% of complaints from subscribers should be rectified within 24hours and 99% within three Calendar days.
 - v. The VASP will keep a record of number of faults and rectification reports in respect of the service, which will be produced before BSNL as and when and in whatever form desired. All the record are to be kept for one year in general and for longer in case specifically notified by nodal centres.
 - vi. Rectification of fault in the VASP owned links /equipment will have to be ensured.

2. Eligibility Conditions:

- 2.1 The prospective VASP shall either be a company registered and incorporate in India under Companies Act, 1956/2013 or a Foreign company. In case prospective VASP is Foreign Company, it can participate either through its established place of business in India duly registered with the Registrar of Companies, Ministry of Corporate Affairs, Government of India or through its wholly owned subsidiary company registered and incorporate under companies act 1956/2013.
- 2.2 The VASP or its parent shall have a minimum annual turnover of INR 5 (Five) Crore in last two financial years in one of the following areas or any combination thereof,
 - i. Telecom applications/ VAS or
 - ii. IT applications or
 - iii. Content provisioning or
 - iv. Content development or
 - v. Content application development.The turnover of parents / holding company may also be considered for deciding turnover criteria, the subsidiary company shall submit a declaration in this regard. The VASP will have to submit a Turnover certificate from the VASP's Auditors/ CA to this effect.
- 2.3 The VASP or its parent VASP shall have the experience of implementing the similar solution as asked for in this proposal with at least One Telecom Operators (having subscriber base of more than 10 million each) anywhere in the world during last 5 years.

3. List of documents to be submitted as part of the proposal:
 - 3.1 Copy of the Article of Association & Memorandum of Association.
 - 3.2 List of Directors including their names(s) and address(es) along with contact telephone numbers, DIN of each director & CIN of the VASP.
 - 3.3 Certified True copy of Board's/ Management's resolution in favour of authorized signatory.
 - 3.4 Specimen signature of the authorized official duly attested by VASP's/authorized signatory's Banker.
 - 3.5 Latest audited Annual Report of the VASP, in case printed copy is not available then copy of the same duly certified by the VASP Secretary/ Director/ Managing Director /Authorized Signatory of the VASP.
 - 3.6 Turnover certificate from the VASP's Auditors/ CA mentioning the field of turnover as required under the eligibility conditions.
 - 3.7 Non-refundable empanelment fees in the form of DD, required as per eligibility conditions.
 - 3.8 Revenue generation commitment, required as per eligibility conditions and an undertaking clearly committing to submit the Bank Guarantee within 15 days of signing of the agreement.
 - 3.9 NDU, duly notarized on non-judicial stamp paper of Rs. 50/- (NDA format enclosed).
 - 3.10 Details of services, including price points, which the VASP wants to provide on BSNL's network.
 - 3.11 Contact details i.e. Name, email id, phone no., mobile no., fax no. of a responsible person for liaising in this matter.
 - 3.12 All necessary documents are to be submitted by Foreign VASP, as relevant to conditions mentioned in para 1.1.

Draft agreement, containing the complete commercial, financial and technical conditions to be signed for providing services shall be forwarded to the eligible companies only after evaluating the proposal containing the above documents in full after finalization of the list of services & their respective price points.

4. General Terms and Conditions of the Agreement:

- 4.1 BSNL's Cellular Mobile Operations are divided into four Zones viz. East, West, North and South, comprising of the Licensed Service Areas as defined below:

Sl.	Zone	Licensed Service Areas
1.	East	Assam, Bihar including Jharkhand, Kolkota Metro, Orissa, West Bengal including A&N, North East (NE-I including NE-II)
2.	West	Gujarat, Maharashtra, Madhya Pradesh including Chhattisgarh
3.	North	Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, UP (East), UP (West) including Uttarakhand,
4.	South	Andhra Pradesh including Telangana, Karnataka, Kerala, Tamil Nadu including Chennai

- 4.2 The required connectivity to the concerned network elements of BSNL will be provided by BSNL.
 - 4.3 The allotment of required short codes shall be provided in accordance with the existing BSNL policy.
 - 4.4 Revenue reports/ MIS/ Reconciliation, revenue reports and MIS will be shared with the BSNL on daily basis even BSNL team will be provided a web interface to extract MIS, reconciliation of revenue based on the report will be done monthly basis or as mutually agreed.
5. Submission of Bank Guarantee:
- 5.1 The required Bank Guarantee (BG hereinafter) is to be provided within 15 days of signing of the agreement. The Bank Guarantee should be valid for 32 months.
 - 5.2 The full BG will be forfeited, if the Top line revenue earned is less than 70% of the RC. If Top line revenue is more than 95%, full BG will be released.
 - 5.3 If Top line revenue is between 70% and 95% of RC, VASP will have option to :
 - a. Get the proportionate BG en-cashed as per BG condition.
 - b. Carry forward the revenue shortfall to next agreement period. The enhanced revenue commitment will be linked to BG of next agreement period. However, there will be no change in BG value for next agreement period.
 - 5.4 In case of non-fulfilment of 100% of RC by the VASP, it has to submit the new BG of the same amount and validity as submitted in previous agreement if it wishes to renew the agreement.
 - 5.5 Existing BG of such extended agreement will be released on submission of new BG.
6. Agreement Period:
- 6.1 The period of agreement will be for 26 months including 2 (Two) months regular deployment cum integration period counted from the date of signing the contract by BSNL. Period of regular contract will be extendable on year-to-year basis on mutual consent basis.
 - 6.2 The BSNL may grant extension of integration period for suitable period, as deemed fit by BSNL, if delay is caused due to reasons attributable to BSNL.
7. Pricing of services and Commercials:
- 7.1 Payment shall be made on monthly basis to the VASP on receipt of the bill. The VASP shall submit the Licensed Area-wise bill to the Zonal In-charge, who may be DET (VAS) or any other officer nominated by GM (CMTS), Nodal Centre. The Zonal Incharge shall verify the bill within 7 days and CMTS-Nodal Centre shall release the cost of content/services payment to the VASP within the next 15 days. The payment of charges shall be made to the VASP after deduction of TDS amount as per provisions of the Income Tax Act 1961.

- 7.2 No revenue share shall be payable by BSNL to VAS provider, if its zonal monthly topline revenue remains less than Rs.50,000/-. The revenue share to VAS provider shall be on pro-rata basis in case of any period less than one calendar month.
- 7.3 BSNL reserves the right to provide the Value Added Services on its own or to enter into Agreement with other service providers/companies for providing similar services in its licensed Cellular Mobile Telephony service area(s) from time to time in future without any restriction on number of VAS providers.
- 7.4 VASP shall be totally bound and obliged to comply with all applicable norms and directions issued from time to time by the Regulator (TRAI) or the Licensor (DOT) or Government of India at no cost to BSNL.
- 7.5 The VASP will be required to submit a non-refundable empanelment fee of Rs. 1.125 Lakh per zone and Rs. 4.5 Lakhs for all four zones along with the proposal in the form of DD in favour of Accounts Officer (Cash), BSNL, New Delhi.
- 7.6 The VASP will have to give a revenue commitment (RC hereinafter) to generate top line revenue of Rs. 40 Lakh in 1 Zone, Rs.70 Lakh in 2 Zones and Rs.1 Crore in 3/all Zones during the tenure of agreement and back it up with the Performance Bank Guarantee (PBG) of 15% of committed amount (i.e. Rs. 6 Lakh for 1 Zone, Rs.10.5 Lakh for 2 Zones and Rs.15 Lakh for 3/all Zones).
- 7.7 Revenue sharing (revenue share on EUP after deducting Licence Fee and Spectrum Charges) split will be 70% is to 30% i.e. BSNL will be having the 70% share in the revenue generated from this VAS service. VASP will be having the 30% revenue share.
- 7.8 Invoicing to claim the payment from BSNL will be done on monthly basis.
- 7.9 After raising the invoice to BSNL within 15 days BSNL shall pay the VASP revenue in the designated bank account.
- 7.10 The invoice has to be submitted to BSNL within 60 days from last date of month for which invoice is being claimed.
8. Addition of zones during the concurrency of agreement:
- 8.1 Additional revenue commitment, Bank Guarantee, Duration of Monthly zonal revenue commitment, short code fees for addition of new zone is to be calculated on pro-rata basis. Empanelment fees will be taken as whole and not be fixed on pro-rata basis.
- 8.2 VASP shall submit revised consolidated BG before the release of old BG by BSNL, if any. Bank guarantee is not required in those cases where VAS Provider has crossed the revised revenue commitment as calculated on pro-rata basis.
- 8.3 Policy of duration of integration is to be continued for addition of zones i.e. 2 months may be given for integration for new zones.
- 8.4 All the pro-rata calculation is to be done on monthly basis only i.e. VASPs signing on any day of the month, the whole month will be considered for calculation of RC/BG etc assuming agreement has been done on 1st day of month.

9. Delivery of Service:

The VASP shall ensure provisioning of commercial services in the agreed service area within 7 days of provision of requisite connectivity by BSNL.

10. Marketing of Services:

10.1 Marketing, advertising and promotion of agreed VAS besides sourcing the content for the services will be done by the VASP at its own cost.

10.2 Necessary Telecom infrastructure for enabling promotion of services shall be provided by BSNL. The Terms and condition for provisioning of such telecom resources shall be governed by relevant BSNL policies. BSNL reserves all rights to incorporate changes in the policies from time to time, under intimation to VASP. Decision of BSNL will be final and to that extent, the agreement along with Annexures shall be deemed to have been modified or amended.

11. Indemnification:

VASP agrees to protect, defend, indemnify and hold harmless BSNL and its employees, officers, directors, agents or representatives from and against any and all liabilities, damages, fines, penalties and costs (including legal costs and disbursements) arising from or relating to:

11.1 Any breach of any statute, regulation, direction, orders or standards from any governmental body, agency, telecommunications operator or regulator applicable to such party;

11.2 Any breach of the terms and conditions in this agreement by VASP;

11.3 Any claim of any infringement of any intellectual property right or any other right of any third party or of law by VASP;

11.4 Any claim made by any third party arising out of the use of the services and arising in connection with interruptions or degradations of service caused solely by VASP.

11.5 The VASP shall comply with all the Laws, Directives, guidelines etc. of the Land where VASP is located and shall be fully responsible for the same. The VASP shall indemnify BSNL for any liability rising out of non compliance of the same.

12. Dispute Settlement:

12.1 In the event of any question, dispute or difference arising under this agreement or in connection there-with (except as to the matters, the decision to which is specifically provided under this agreement), the same shall be referred to the sole arbitration of the CMD, BSNL, New Delhi.

or

In case his designation is changed or his office is abolished, then in such cases to the sole arbitration of the officer for the time being entrusted (whether in addition to his own duties or otherwise) with the functions of the CMD, BSNL.

or

By whatever designation such an officer may be called (hereinafter referred to as the said officer) and If the CMD, BSNL or the said officer is unable or unwilling to act

as such, then to the sole arbitration of some other person appointed by the CMD, BSNL or the said officer. The agreement to appoint an arbitrator will be in accordance with the Arbitration and Conciliation Act 1996. There will be no objection to any such appointment on the ground that the arbitrator is a BSNL Servant or that he has to deal with the matter to which the agreement relates or that in the course of his duties as a BSNL servant he has expressed his views on all or any of the matters in dispute. The award of the arbitrator shall be final and binding on both the parties to the agreement. In the event of such an arbitrator to whom the matter is originally referred, being transferred or vacating his office or being unable to act for any reason whatsoever, the CMD, BSNL or the said officer shall appoint another person to act as an arbitrator in accordance with terms of the agreement and the person so appointed shall be entitled to proceed from the stage at which it was left by his predecessors.

- 12.2 The arbitrator may from time to time with the consent of both the parties enlarge the time frame for making and publishing the award. Subject to the aforesaid, Arbitration and Conciliation Act, 1996 and the rules made there under, any modification thereof for the time being in force shall be deemed to apply to the arbitration proceeding under this clause.
- 12.3 The venue of the arbitration proceeding shall be the office of the CMD, BSNL, New Delhi or such other places as the arbitrator may decide.
13. Directions/guidelines from Licensor/Regulator or any Government statutory body:
 - 13.1 In accordance with clause 6.1A of DOT guidelines vide letter No 842-725/2005-VAS-66 dated 31st July, 2008 and any directions of DOT there under, BSNL shall have the right to direct, to warn, to penalize the VASP or terminate the Agreement after considering any report of conduct or antecedents detrimental to the security of the nation. The decision of BSNL in this regard in accordance with such DOT directions shall be final and binding and in any case the VASP shall bear all liabilities in the matter and keep BSNL informed for all claims, cost, charges or damages in this respect.
 - 13.2 In accordance of DOT guidelines vide letter No 800-62/2008-ASP II/2 dated 14th May, 2008 the VASP shall provision for lawful interception for VAS which are being provided to BSNL subscribers using Voice bearer/GPRS/SMS/USSD/PTT etc. Further, any new Value Added Services should be added/ commissioned in the network only after having confirmed the provisioning of appropriate monitoring facilities for the same.
 - 13.3 In accordance with TRAI Directions dated 04.07.2011, no forced activation of VAS is to be done by any VASP. In case VASP is found indulging in VAS forced activations, BSNL reserves the right to take action as per BSNL's policy, amended from time to time.
14. Quality of Service:
 - 14.1 The VASP shall ensure the Quality of Service (QoS) as prescribed by TRAI (Regulator) from time-to-time. The VASP shall operate and maintain its Network conforming to Quality of Service standards to be mutually agreed subject to such other directions as the competent authority may give from time to time. The VASP shall adhere to such QoS standards and provide timely information as required therein.
 - 14.2 In the process of operating the Services, the VASP shall be responsible for

- a) Installation, Operation & proper maintenance of the equipment.
 - b) Maintaining the performance and quality of service standards.
 - c) Response time to any query/ de-activation command from VAS Provisioning system shall not exceed 120 seconds.
 - d) Maintaining the MTTR (Mean Time to restore) within the specified limits of the quality of service as given below in respect of normal failures excluding catastrophes:
 - i) 90% of faults reported by subscribers should be rectified within 24hours and 99% within three Calendar days.
 - ii) The VASP will keep a record of number of faults and rectification reports in respect of the service, which will be produced before BSNL as and when and in whatever form desired.
 - e) Rectification of fault in the VASP owned links /equipment will have to be ensured within 24 hours.
- 14.3 The VASP shall be responsive to the complaints lodged by BSNL. He shall rectify the anomalies within the MTTR specified above and maintain the history sheets for each installation, statistics & analysis on the overall maintenance status and the same shall be made available to BSNL at desired intervals in prescribed format/ Performa.
- 14.4 Revision in policies:
- 14.5 BSNL reserves the right to make any changes in various policies including but not limited to marketing, penalties for forced activation of subscriber's services, allocation of network and other infrastructure resources. BSNL reserves all rights to incorporate changes in the policies from time to time, under intimation to VASP. Decision of BSNL will be final and to that extent, the agreement along with Annexures shall be deemed to have been modified or amended.
15. Submission of Proposal:
- Interested and eligible companies may submit their proposals along with all the requisite documents as per clause 3 above, on any working day to:-
- DM (VAS-I),
Bharat Sanchar Nigam Limited,
Second Floor, Bharat Sanchar Bhawan,
HC Mathur Lane, Janpath, New Delhi
110001.

FORMAT OF THE NON-DISCLOSURE UNDERTAKING

(To be submitted duly notarized on non-judicial stamp paper of Rs.50/- only)

FORMAT FOR NON DISCLOSURE AGREEMENT

M/s _____, a VASP registered under Companies Act 1956, having its registered office at _____ acting through Shri _____, the authorized signatory (which expression shall, unless repugnant to the context, include its successors in business, administrators, liquidators and assigns or legal representatives) hereby declare and undertake that we will not divulge any part of this agreement either through oral or written communication or through any mode to anyone.

We further undertake and declare that we shall be responsible for safe custody of the papers/documents including the Agreement proposed to be entered into between M/s BHARAT SANCHAR NIGAM LIMITED and ourselves. We shall ensure all necessary steps to safeguard the privacy and confidentiality of the Agreement and shall use our best endeavours to secure that no person acting on our behalf or ourselves divulge or disclose or use any part of the Agreement without the written consent of M/s BHARAT SANCHAR NIGAM LIMITED.

We further declare and undertake that if we declare not to sign the above Agreement with M/s BHARAT SANCHAR NIGAM LIMITED, we shall return back the copy of the Agreement (in original) back to GM (VAS) acting on behalf of M/s BHARAT SANCHAR NIGAM LIMITED within one month without preserving any copy of the same, in any form, whatsoever.

We further declare and undertake to indemnify M/s BHARAT SANCHAR NIGAM LIMITED for any loss or damage(s) caused to it by virtue of any default from our side in compliance to the aforesaid conditions.

Signed on behalf of M/s _____ by Shri _____
(Name and Designation) authorized signatory.