

Policy for engaging Start-ups/ Self-Entrepreneurs/ Registered Societies / RWA /local Cable providers / Real Estate developers as last mile Infrastructure Providers to expand last mile reach of MTNL to houses / shops / offices etc for its various services

No. MTNL/CO/Tech & Plg/FTTH Policy/2017-18

Dated: 23-08-2021

1. Introduction:

- 1.1 Mahanagar Telephone Nigam Limited (MTNL) is a wholly owned Govt. Company and is the provider of fixed-line telecommunication service in the two Metropolitan Cities of Delhi and Mumbai. MTNL provides a host of telecom services that include fixed telephone service, Mobile service, Broadband Internet, ISDN & Leased Line services.
- 1.2 MTNL has huge optical fiber resources in its operating area which is available on roads of majority of major / minor / colony areas. Further, MTNL has a number of VAS services of its own or under partnerships. MTNL wishes to provide these voice / data / VAS / leased line services to all its existing as well as new customers, through revenue share partners.
- 1.3 To expand the reach of MTNL last mile connectivity on any media / technology, MTNL seeks offer from interested partners on revenue share basis. MTNL also wishes to identify partners who either alone or combined with last mile extension are willing to offer partners own VAS (Value Added Services) to MTNL Customers.

2. Objective of the policy:

- 2.1 Under this Policy, MTNL proposes to select partners, who will help MTNL to extend on revenue share basis the last mile reach of optical fiber through fiber/ LAN / Wi-Fi or any other technology, for providing MTNL customers High speed Broadband Internet / voice, Leased Lines as well as various VAS services (like IPTV, Home Surveillance, educational content, gaming etc.).
- 2.2 To engage small Start-ups/Entrepreneurs/ Registered Societies /RWA /local Cable providers/Real Estate developers(as Partners) etc. with MTNL to provide last mile Infrastructure on revenue share basis to extend the last mile reach of optical fiber through fiber/LAN/Wi-Fi or any other technology to customer for providing MTNL services.

3. Registration/Eligibility Conditions for Partners:

- 3.1 The Partner who intends to be engaged with MTNL as Passive/Active Infrastructure Provider for FTTX Services & VAS shall be required to register with MTNL.
 - 3.1.1 The Partner shall be a company / Entrepreneurs/ Partnership firm Registered Societies / RWA / Builders / local Cable providers / Proprietorship firm registered / incorporated in India including a Consortium, involved in / aimed towards FTTX business segment. However, the promoter(s) of the Start-up company / Self-entrepreneurs/ Partnership firm / Proprietorship firm registered or incorporated in India including a Consortium shall preferably be a Graduate, Professional(s) such as Engineers, C.A, MBA, retired employees of MTNL, BSNL, Diploma in IT/Electronics or any other Discipline.

- 3.1.2 In order to attract hard working & ambitious entrepreneurs, there shall be no specific eligibility conditions in terms of turnover.
- 3.2 The Partner shall submit following documents, self-attested by the director/Partner/owner for the registration (**Whichever is applicable**): -
- (i) Proposal Letter for registration with MTNL as FTTH Revenue Share Partner (RSP).
 - (ii) Certificate of incorporation (As applicable).
 - (iii) Article or Memorandum of Association or partnership deed or proprietorship deed as the case may be (As applicable).
 - (iv) GST Certificate.
 - (v) Registration certificate from State Director of Industries or from Secretariat for Industrial Approval (SIA), Ministry of Industries, Government of India (Optional).
 - (vi) Approval from Reserve Bank of India /SIA in case of foreign collaboration (As applicable).
 - (vii) Latest and valid NSIC Certificate duly certified by NSIC (Optional).
 - (viii) Aadhar Card/Pan Card/Address Proof.
- 3.3 The registration of RSP will be a continuous process as per the requirement of MTNL. Any request for registration shall be received by FTTH Nodal Officer. ED MTNL Delhi/Mumbai shall appoint a dedicated nodal officer not less than the rank of DGM for all FTTH-RSP related matters (such as Technical, administrative, commercial etc).
- 3.4 After scrutinizing the proposal, the Nodal officer of MTNL shall invite the prospective partner to submit Registration Fees and sign an agreement as per format specified in policy document.
- 3.5 Partner shall pay One-time non-refundable Registration charges of Rs.10,000/- (Rupees Ten Thousands Only) (excluding GST). The registration Charges shall be waived off for the partners already engaged with MTNL (under any existing Revenue Sharing Model).
- 3.6 MTNL reserve the right to accept or reject any registration request. Decision of respective ED shall be final and binding for the prospective partner in this regard.

4. Scope of Work:

4.1 For Managed Services:

- 4.1.1 MTNL will make available the Fiber / connectivity from its exchange at no extra cost to partner or at any existing point of presence where MTNL fiber / connectivity is already available based on various models envisaged in this policy, subject to the commercial and technical feasibility.
- 4.1.2 The partner is supposed to extend the fiber/connectivity from MTNL Exchange/location up to customer premises and provide the necessary services as per SLA (Service Level Agreement) contract/agreement. Partner is supposed to extend the fiber/connectivity underground or overhead in open to sky space and under proper wiring inside building/complexes/in customer premises etc.
- 4.1.3 There will be no charges for space inside the MTNL premises allotted to partner only for interconnection equipment as per bare minimum requirements for space but

electricity & air conditioning will be chargeable at power rating of the equipment as given below:

Power (Load)	Rate per month per site INR
Upto 125 Watt	1500

Beyond 125 watts, for each watt @ Rs.15 per month per watt. The rates are subject to change as per MTNL policy.

4.2 **For VAS Services:** This Policy is primarily for managed services and no exclusive VAS service agreement will be executed under this policy. Further, VAS services which do not require any telecom licenses will be considered.

4.2.1 Partners selected under this Policy can also create /provide VAS services (like IPTV, Home Surveillance, educational content, gaming etc.) by themselves or they can have a tie up from third party to offer VAS services to customers under this arrangement as well as other MTNL customers on revenue share basis. As far as MTNL is concerned, in third party VAS services also the partner will be fully responsible to MTNL.

4.2.2 Partner will connect its network with MTNL network for VAS services at multiple Point of Interconnects (POIs) by providing its fibre. At least two points have to be identified for redundancy / disaster recovery. If in future, any other point of interconnect will be required, Partner shall bring its fibre to MTNL's nearest point of interconnect.

4.2.3 The tariff for VAS services shall be decided by MTNL based on inputs of various partners time to time.

4.2.4 MTNL will act as a collection agent for the partners VAS and the revenue share after deducting in all the Levies and taxes will be passed on to the partner and MTNL portion will be retained by MTNL. Therefore, only MTNL portion will be considered as MTNL revenue for its infrastructure provisioning.

4.2.5 The Partner has to arrange for and maintain the content to be provided as part of the VAS services along with the copyrights and intellectual property rights of the VAS services offered through MTNL to Customers. The partner will indemnify MTNL of all Liabilities arising out of third party arrangement.

4.2.6 The Partner has to operate and maintain the mutually agreed services by carrying out function of generating billing data, its reconciliation and customer care. The aforesaid clauses shall be governed by roles and responsibilities defined for each party as defined in this POLICY.

5. **Roles and responsibilities:** The roles and responsibilities of different partners will be as follows. In case any activity is not explicitly defined then the same will be settled on mutual agreement basis.

5.1 MTNL will make available the Fiber / connectivity from its exchange at no extra cost to partner or at any existing point of presence where MTNL fiber / connectivity is already

available based on various models envisaged in this policy, subject to the commercial and technical feasibility.

- 5.2 The operation and maintenance of connectivity beyond designated places as per the revenue share model will be the responsibility of partner. The partner is supposed to build/ extend and maintain the fiber/connectivity from MTNL Point of Presence up to customer premises and provide the necessary services as per SLA (Service Level Agreement) contract/agreement
- 5.3 Central equipment like OLTE and the Customer End Equipment like ONT shall be provided by partner as per the revenue share models defined in this policy. However, in any case where provisioning of OLT and/or ONT is the responsibility of partner but MTNL has to provide OLT/ONT to serve the customers, then following charges shall be deducted from revenue share of the partner (after excluding license fees & other taxes and duties from the tariff etc.):

Item	Amount deducted per month per subscriber
OLT Port	Rs. 30/-
ONT	Rs. 80/-

Any upfront cost charged from customer for providing customer end equipment like ONT, Wi-Fi CPE etc. shall be paid, after deduction of licence fee (@8% at present), to the MTNL or the partner supplying the equipment to the customer.

In case of ONT/CPE charges are prescribed as a separate line item in a tariff schemes, even in such cases for the purpose of revenue share; these charges will be considered as part of total revenue only.

- 5.4 The required infrastructure for interconnection to the concerned network elements for Partner equipment of FTTX services shall be provided by MTNL. Co-location facility in MTNL premises shall be extended to PARTNER subject to feasibility for the purpose of interconnection only and no infrastructure charges shall be levied by MTNL from PARTNER for such infrastructure provided in MTNL premises for interconnection only. MTNL may also allow installation of OLTE of the partner at MTNL exchange site (if Partner wishes so) at nominal rent covering cost of electricity & air-conditioning in terms of para 4.1.3 above. Necessary segregation in location of OLTE at MTNL site can be taken, if required, to avoid unhindered entry of partner staff to MTNL installation subject to feasibility, and at Partners cost.
- 5.5 The Partner will ensure the service delivery and service assurance to the customer. However the back end responsibility will remain with the respective partner / MTNL depending upon, who provides it.
- 5.6 Commercial instructions, Advice notes and Bills for all services to be issued by MTNL (For post-paid services as well as pre-paid services too).

- 5.7 The infrastructure only for the purpose of Interconnection at exchange location will be provided free of cost by MTNL. The partner will try to configure / maintain the equipment from their central NOC as far as possible and practicable.
- 5.8 Suitable inventory like ONT if provided by MTNL to PARTNER for new installations and maintenance, if the same is in MTNL's purview based upon inventory position in terms of para 5.3 above, the responsibility to install it properly at customer premises and its recovery after the services are closed, will be with the partner.
- 5.9 The connectivity/Bandwidth between PARTNER NOC and MTNL MPLS/other network will be on dark fiber as per need. And the customer profile for IPTV at the ONT will be 10 Mbps / or as per need.
- 5.10 MTNL will identify a dedicated nodal officer as SPOC (Single Point of Contact) at a senior level for fast resolution of problems for all FTTH-RSP related matters. The dedicated Nodal Officer not less than the rank of DGM shall be appointed by ED MTNL Delhi/Mumbai.
- 5.11 Similarly RSP owner will be designated as SPOC to address customer related grievances/concerns.
- 5.12 Tariff of services to be decided by MTNL based on inputs of various partners time to time.
- 5.13 Monthly review meeting will be held of all RSPs & GMs at each Area level to review the targets and other local issues. The meeting should be attended by area GMs & Owner of RSPs.
- 5.14 CAF (Customer Acquisition Form) to be got completed in duplicate and collected by the PARTNER, as per regulatory requirements. Partner may retain photocopy and submit original to MTNL's designated office.
- 5.15 Billing will be done by MTNL. Accordingly the revenue collection is to be done by MTNL and revenue share of PARTNER to be worked out after deduction of license fees, taxes and government levies etc. and then to be paid on regular basis.
- 5.16 The necessary prepaid billing infrastructure and servers etc. will be installed by the partner and the revenue sharing for pre-paid services provided by PARTNER will be done as per following procedure:
 - 5.16.1 The generation and printing of PINs with appropriate security and collection of revenue shall be vested with MTNL in case partner wanted to sell its service on prepaid basis. However, selling arrangement may be made through Sanchar Haats, Franchisee and M/s. PARTNER as per approval of MTNL.
 - 5.16.2 Monthly/ quarterly audit of the system by a team of MTNL Delhi/ Mumbai officers shall be carried out as per the need.

5.16.3 Daily/ weekly/ fortnight/ monthly report from PARTNER to be submitted to MTNL containing the following information for VAS Service by Partner:

- 5.16.3.1 Details of active subscribers
- 5.16.3.2 Details of inactive/suspended subscribers
- 5.16.3.3 Total number of PINs (Status & denomination wise) under his report.
- 5.16.3.4 Details of activated and non-activated PINs
- 5.16.3.5 Details of daily recharge details containing Recharge on account of Rental
- 5.16.3.6 Recharge on account of VoD /Content
- 5.16.3.7 Recharge on account of additional packages/Any other charges

5.16.4 Credit to be given to subscribers only by MTNL for MTNL services.

5.16.5 All tariffs for IPTV/Contents/VoD, etc. to be decided with approval of MTNL. In case of any directive by regulator / Government / statutory body, the same shall be implemented with intimation to MTNL.

5.16.6 Queries about billing disputes should be available in Web Self Care (WSC).

5.16.7 Subscribers' details should be linked to Set Top Box (STB) MAC ID.

5.16.8 Low balance messaging on TV screen is required to be automated.

5.16.9 Details PIN management security and Audit details should be available in the system.

5.17 PARTNER will purchase the PINs / coupons from MTNL at the discounted rates i.e. after deducting the MTNL's revenue share plus applicable levies & taxes and sell at full cost to the subscriber and keep the proceeds.

5.18 Partner's VAS (Value Added Services):

5.18.1 The partner is permitted to provide VAS (Value Added Services) to MTNL customers acquired through this Fiber project or any other customers. However it should be understood by all the partners that their value added services must be for FTTx customers. In addition it can be for other MTNL Broadband / Mobile customers.

5.18.2 The Partner can use the MTNL Data center for hosting and can utilize the MTNL Data Center Managed Services on mutually decided commercials or they can host the services at any other Tier 3 certified data center in India.

5.18.3 Further MTNL is having lots of real estate space at strategic locations. The Partner can hire MTNL space at a mutually negotiate rates for providing the services envisaged in this project.

5.18.4 In case, partner needs telecom connectivity for CDN (Content Delivery Network) between Delhi and Mumbai for providing services in this contract/agreement, then the required connectivity will be provided to the partner at 20% discount of MTNL prevailing rate or the preferred rate offered by MTNL to other customers.

5.18.5 For providing VAS the interconnectivity can be at more than two places (One Main and the other one disaster recovery) as per need to meet the SLA and provide high customer experience.

5.18.6 At customer premises, the CPE (Customer Premise Equipment), should work normally on the AC supply available at customer premises and no UPS is required.

5.18.7 The different type of VAS services could be as follows. This is only an illustrative list.

5.18.7.1 IPTV (Internet Protocol TV) / Interactive TV / Time Shift TV

5.18.7.2 Video on Demand

5.18.7.3 Home Surveillance

5.18.7.4 Education

5.18.7.5 Gaming

5.18.7.6 Entertainment

5.18.7.7 Convenience – Like Cloud Storage etc.

5.18.7.8 Location Based Services

5.18.7.9 Internet of Things

5.18.7.10 ONT (or any other Customer Premise Equipment) on RF (Radio Frequency) for Digital Cable TV and other services

5.18.7.11 Any Other Services

5.18.8 PARTNER will connect its network with MTNL network for VAS services at multiple Point of Interconnects (POIs) by providing its fibre. At least two points have to be identified for redundancy / disaster recovery. If in future, any other point of interconnect will be required, PARTNER shall bring its fibre to MTNL's nearest point of interconnect.

5.19 Modus – Operandi for Providing VAS Services:

5.19.1 Partner will intimate MTNL under email the concept note of VAS services.

5.19.2 Within seven working days MTNL Nodal Officer will intimate the MTNL stand on such VAS services.

5.19.3 If decided to go ahead then within seven working days of proposal consent by MTNL, POC will be demonstrated by the partner. The location / target customer / any other details from MTNL side if needed will be apprised by the nodal officer.

5.19.4 Three Week time for POC (Proof of Concept)

5.19.5 If POC is successful, then VAS will be launched from 6th week of proposal / specified mutually agreed date.

5.19.6 If POC is not success full then first the shortfall noticed will be attended then only further necessary action will be taken.

5.19.7 The Initial tariff per month on the recommendation of the partner will be fixed by the committee with members of MTNL & Partner. The Partner is supposed to do market study and propose a reasonable price per month. The Price so fixed will be reviewed

at least once in Quarter/ six months and will be adjusted as per market conditions, if need arises.

5.19.8 The VAS services will keep on changing / evolving as per the customer taste over a period of time. The partner is supposed to keep a tab on it.

6. SLA and Penalty clause

6.1 Partner may setup “complaint” or “customer service” contact numbers for booking of complaints from customers / MTNL. These complaints shall be monitored by RSP for time bound resolution.

6.1.1 Partner has to ensure timely repair of faults and meet other key performance indicators (KPI) which is the essence of the contract. Non adherence to these will result in imposition of penalty as per the following-

KPI	SLA	Penalty
Fault repair within same day	>85%	0.15% of invoice value for each 1% of slippage.
Fault repair in next day	95%	0.3% of total invoice value for each 1% of slippage.
Fault repair in 3 rd day	100%	0.4% of total invoice value for each 1% of slippage.
Fault repair after 3 rd day		In case fault is not rectified by partner within 3 days, then an additional penalty for Rs.15/- per day per connection shall be levied for the faults pending more than 3 days. The penalty shall be capped at 30 % of the invoice value for the maintenance charges of that month.
MTTR	<7 hrs	0.1% of invoice value for each hour of slippage.(rounded off)
Repeat Fault	≤ 5%	0.1% of invoice value for each 1%of slippage.

6.1.2 KPIs and SLAs are defined as:

- i. Fault booking on Same Day: Fault booked up to 15:00 Hrs on a given date.
- ii. Fault clearance on same day: Fault booked on the same day and rectified and cleared within 24hrs of a day. This clearance count will also include faults cleared which are booked beyond 15:00Hrs on that day.
- iii. Mean Time to repair the fault (MTTR): MTTR will be calculated based on the faults booked on same day.
- iv. Repeat faults: Faults booked for a connection, more than once in a week will be counted as repeat fault.

6.1.3 In case of vendor is unable to meet SLAs due to non-supply of material under the scope of MTNL to vendor, no penalty will be levied on vendor for the delayed part.

6.1.4 The fault occurrence due to any other Network element failure for which MTNL is responsible for subscriber faults, would not be counted for the purpose of fault

duration. By and large MTNL and the Partner will be responsible for their portion of work. However, the first responsibility lies with the partner to diagnose the fault and intimate MTNL, in case the MTNL portion is faulty

- 6.1.5 For calculation of penalty if achieved parameter is between X and less than X+0.5 will be taken as X. Between X+0.5 and X+1 will be considered as X+1.
- 6.1.6 MTNL reserves the right to terminate the contract for consecutive three month non-performance on failure to meet all the SLA. Notice needs to be served in first month, second, third month before final termination. In case of partial SLAs are met then also it is liable for termination.
- 6.1.7 ED Delhi/Mumbai reserve the right to grant any relief in action for termination considering the circumstances / nature on the appeal made by the RSP if one or more parameters are met.
- 6.1.8 The decision of MTNL in respect of levy of Penalty shall be final and binding. Any dispute in relation to imposition of penalty or quantum thereof shall not be arbitrable and the clause of Dispute Resolution shall not be applicable.
- 6.2 **Provision of FTTH/BB:** Provision of 80% of FTTH/BB Connections to the customers shall be done within three days of generation and making over of Order Book (OB) by MTNL to RSP and left out cases should be provisioned within seven days for all technically feasible areas.
- 6.3 **Minimum FTTH Connections by RSP:** It is desired that the RSP shall give minimum Ten FTTH connections per month on an average per OLT (covering all OLTs installed by RSP) till OLT is loaded up to 80% of its capacity (Applicable for Partner own OLT cases). The Performance of RSP shall be reviewed every three months from the date of signing agreement. If the performance of the partner is found unsatisfactory, MTNL shall reserve the right to terminate the contract by serving one month notice.
- 7. **Revenue Share:** The following Revenue Share arrangement will be payable to the partner selected under this policy:-
 - 7.1 **Revenue share for Managed Services of MTNL:** The revenue share partner shall be allowed to choose any or all the models under this policy as tabulated below:

S No	Rev Share Type	Revenue Share and Broad Responsibility of MTNL and Revenue Share Partner (RSP)	
		MTNL	RSP
1	Type-1	<ul style="list-style-type: none"> • Rev. Share- 90% • Supply, Installation and Maintenance of OLTE • Backhaul Fiber provisioned and maintained by MTNL. • Access/Downlink fiber laid and maintained by MTNL • PON wiring by MTNL • Supply of Stores required for FTTH/BB Connections. Like low count Fibre, Splitters/Switches ONTs/ONUs etc. 	<ul style="list-style-type: none"> • Rev share- 10% • Maintenance of existing PON wiring and fiber from 1st Splitter point up to customer premise. • Installation and Maintenance of ONT/ONU supplied by MTNL • The partners will maintain both PON horizontal and vertical wiring and will be responsible for replacement of all passive materials including splitters low count Fibre etc. • In the event of ONT fault MTNL will provide the replacement. • Partner shall be paid One time charges of Rs. 1500/- for provisioning of PON wiring of new connections.
2	Type-2	<ul style="list-style-type: none"> • Rev Share- 70% • Backhaul Fiber provisioned and maintained by MTNL. (Provided only if commercially viable and feasible) 	<ul style="list-style-type: none"> • Rev Share-30% • Supply, Installation and Maintenance of OLTE. • Access/Downlink fiber laid and maintained by partner • PON wiring and maintenance by RSP including laying of low count fibre and interconnection of buildings. • Supply of all required Stores required for FTTH connections from OLT port to customer end i.e. low count Fibre, Splitters/ Switches, ONTs/ONUs etc. • Installation and Maintenance of ONTs/ONUs
3	Type-3	<ul style="list-style-type: none"> • Rev. Share- 55% 	<ul style="list-style-type: none"> • Rev Share – 45% • Supply, Installation and Maintenance of OLTE. • Access/Downlink fiber laid and maintained by partner • PON wiring and maintenance by RSP including laying of low count fibre and interconnection of buildings. • Supply of all required Stores required for FTTH connections from OLT port to customer end i.e. low count Fibre, Splitters/ Switches, ONTs/ONUs etc. • Laying and Maintenance of OFC Backhaul from MTNL pick up point/ Point of Presence (PoP) to OLTE. • Installation and Maintenance of ONTs/ONUs

NOTE:

- Partner shall be allowed to operate in all or any of the models.
- Anything comprising revenue shall be shared in proportion of the applicable revenue share including charges for Static IP/Late Fees etc.
- Type-3 Revenue Share (45%) would be paid wherever MTNL existing optical fiber is available and no specific/additional efforts in providing/maintaining the fiber for partners' OLT is required i.e. existing MTNL Point of Presence namely Exchange, RSU, BTS/Node-B, and DSLAM site.
- Type-2 Revenue Share (30%): All other locations/OLTs may be treated under type-2 (30%) revenue share model. Tapping of Fiber outside MTNL premises, on an existing fiber route shall also fall under type-2 (30%) revenue share model.

7.2 Revenue Share for VAS Services provided by Partner under this policy:

Name of Services	Revenue share offered to Partner (in %)
Partner VAS Services like IPTV, Home Surveillance etc. To MTNL customers acquired through policy or any other customers	75%

7.3 Revenue share for Leased Circuits Provisioning of MTNL:

7.3.1 Revenue Share Payable to Partner as per speed of circuit per link basis:

Speed	Revenue payable to partner in INR Per Month
Upto 4Mbps	Rs 600/-
>4Mbps upto 20Mbps	Rs 900/-
>20Mbps upto 50Mbps	Rs 1200/-
>50Mbps upto 100Mbps	Rs 2000/-
>100Mbps upto 500Mbps	Rs 3000/-
>500Mbps upto 1Gbps	Rs 4500/-
>1Gbps	Rs 6000/-

7.3.2 One link for above revenue share purpose means Access connectivity provided by partner from MTNL's point of presence (exchange/BTS/Dark Fibre) to customer premise at one end of circuit. Generally Partner has to pick up Bandwidth/Connectivity from MTNL's nearest telephone exchange. However subject to feasibility bandwidth/connectivity may be provided from any other nearest point of presence of MTNL i.e. BTS site etc or dark fiber. MTNL decision in this regard shall be final and partner shall not have any right or claim on choosing point of connectivity for provisioning of lease circuit.

7.3.3 **Use of MTNL OLT/ONT:** In case partner use MTNL OLT/ONT then partner will be paid only 75% of above prescribed rate (i.e. 25% deductions to be made by MTNL for use of its OLT/ONT).

7.3.4 **Installation Charges:** In case upfront installation charges are levied on customer for provisioning of Lease circuits, then 75% of the Installation Charges will be paid to partner and 25% will be retained by MTNL. Revenue share for Installation charges shall be payable to partner after deduction of license fee as applicable from time to time (presently 8% of the revenue).

- 7.3.5 **SLA Premium Payment:** In case MTNL receive additional charges to provide SLA based services, then additional revenue share for partner will be 20% of the incremental charges levied for SLA.
- 7.3.6 **Penalty:** If any penalty is levied by customer for not meeting QoS/SLA requirement, then it shall be deducted from payment of partner also. Any penalty levied shall be shared in the ratio of the revenue received by both the parties. However, total penalty on partner shall not exceed the amount of revenue share payable to partner on annual basis. MTNL decision in this regard shall be final.
- 7.3.7 Partner can sale and bill any equipment directly to customer. In such case partner will get full amount; for such case MTNL shall not be in picture. Authority letter shall be given by MTNL to RSP to collect payment from customer directly for such equipment.
- 7.3.8 The end links are technology neutral therefore partner shall be free to use any technology to provide the leased circuit other than FTTH such as use of LAN switches, wireless technology etc.; however the SLA shall be as per the customer requirement.
- 7.3.9 The above fee/Revenue share is inclusive of cost for any sales/marketing activity undertaken by partner to acquire the customer.
- 7.3.10 The payment of lease circuit charges shall be independent from retail FTTH Connections.
- 7.3.11 In view of enhanced revenue share partner has to ensure that within 500 Mtrs distance of its existing access network, all leased line connections will be made feasible within 10 days of demand placed and that such connections are installed in 2 weeks time.
- 7.3.12 Payment to partner shall be made advance on quarterly basis (even if the MTNL is getting payment on annual or half yearly basis) on back to back basis on receipt of payment from customer.
- 7.3.13 Only new and upgrade of lease circuit will be provisioned through this arrangement.
- 7.4 **Existing Partner Migration: All the existing FTTH revenue share partner of MTNL as on date of approval of this policy will be migrated under this policy within three months. Date of signing of agreement under this policy shall be treated as the date of migration. For unwilling partners, MTNL shall exercise the exit option under relevant provisions of applicable policy/tender.**
- 7.5 **Sales Incentive:** The incentive for acquisition of new customers may be extended to RSPs on the similar lines as applicable to Direct Selling Agents (DSA). These acquisition charges will be paid to the RSP @ 50% after realization of first bill and remaining 50% in the next bill from the customer. Subscribers other than Working and DNP1 status of Landline / broadband services shall be treated as New Customers for providing Incentives. No Incentive shall be paid to RSP for the migration of existing MTNL ADSL Broadband Customers.
8. **Tariffs:** Tariffs of MTNL services shall be as per plans decided by MTNL from Time to time. Installation/Registration/Activation charges will be shared 75:25 (25% for MTNL) between Partner and MTNL after deduction of license fee, taxes or any other levies. Installation charges shall not be shared with partner for Type-1 case where Rs 1500 will be paid for PON wiring. Any upfront charges collected from customer for Customer Premise Equipment e.g. ONT, Wi-Fi router, Phone, SIP Phone etc. shall be paid to the party who provided CPEs after deduction of license fee.

9. Payment terms:

- 9.1 The payment is on back to back basis after receipt of payments from customer.
- 9.2 The Customer payment is sufficient condition to release the payment of the partner. Payment will be released, after levying of penalty, if any automatically through ECS / Net-banking within 30 (thirty) days in respect of all cases for which payments have been received against invoice of partner. GM (TR) will be responsible for release of payments.
- 9.3 In case of any customer dispute for payment the adjustment shall be done in the subsequent bill and same may be adjusted with the partner.
- 9.4 MTNL reserves the right to adjust any amount due to MTNL and payable by partner to MTNL from any payments due to MTNL.

10. Award of work area:

- 10.1 MTNL reserves the right to assign geographical area to any partners based on the request of the partner and/or MTNL business interests. In case of any dispute/conflict among partners, decision of ED MTNL Delhi/Mumbai shall be final and binding on the partners.
- 10.2 The field units shall be authorised to work out the modality of handing over connection for maintenance under 'Type-1' Model to RSPs. No claim whatsoever shall be entertained in this regard and decision of ED Delhi/Mumbai shall be final.
- 10.3 The field units shall be authorised to work out the modality of Shifting of FTTH connections by RSPs on customer request. No claim whatsoever shall be entertained in this regard and decision of ED Delhi/Mumbai shall be final.
- 10.4 If MTNL receives many applications for a Building / gated society / RWA along with application of Builder / RWA, then, agreement will be made directly with Builder / RWA.

11. Sub-contract/Sub-agreements: The Partner cannot assign/transfer and sub-contract/agreement its interests/obligations under the contract/agreement without the prior written permission of the MTNL. Cable operators are allowed to be roped in by the partners to expand the reach of MTNL services. However MTNL shall be indemnified by the Revenue share partner for any such agreement of the partner.

12. Agreement: Field units of MTNL shall enter into agreement(s) with partners selected under this policy as per Agreement Performa specified at Annexure I. MTNL reserves the right to induct any number of partner and the field units may take this decision on their discretion depending upon the business requirements keeping in view the interest of the MTNL, and its decision in this regard will be final.

13. Validity of the agreement:

- 13.1 Agreement shall remain in force initially for a period of Ten (10) years on non-exclusive basis from the date of award of work and can be extended further with mutual consent. This agreement shall be valid for its full term unless revoked as per the clauses and mechanism defined in this Agreement. MTNL reserves the right to enter in agreement with other partners also except in respect of buildings which are already with the partner.

- 13.2 On the expiry of the term of the Agreement, unless renewed by mutual agreement, the treatment to and handling of PARTNER content service provision operations and equipment under this Agreement shall be PARTNER's prerogative and shall be treated and handled at PARTNER's discretion. In the event PARTNER decides to sell any of its equipment or operations, in full or in part, it will be done at a business valuation arrived upon by an independent valuation expert/entity. The valuation shall be based on standard industry valuation metrics and methodologies prevalent at that time.
- 13.3 MTNL shall have the right of first refusal and settle all financial obligations within 60 days of having communicated its willingness to exercise the option to buy any or all of the equipment and/or operations from PARTNER.
- 14. Progress report:** The partner shall, at its own costs, compile, prepare and submit on time, periodical progress reports (monthly or as required by MTNL) on the progress of delivery, implementation of project or both, whichever is applicable, financial status as well as physical progress of project undertaken by Partner. Area GM will review the progress report as per the award of contract and submit their recommendations to respective ED.
- 15. Force majeure:**
- 15.1 If at any time, during the continuance of this contract/agreement, the performance in whole or in part by either party of any obligations under this contract/agreement shall be prevented or delayed by reason of any war, or hostility, acts of the public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restriction, strikes, lockouts or act of God (Hereinafter referred to as events) provided notice of happenings, of any such eventuality is given by either party to the other within 21 days from the date of occurrence thereof, neither party shall by reason of such event be entitled to terminate this and contract/agreement shall be resumed as soon as practicable after such event may come to an end or cease to exist, and the decision of the MTNL as to whether the deliveries have been so resumed or not shall be final and conclusive, provided further that if the performance in whole or part of any obligation under this contract/agreement is prevented or delayed by reason of any such event for a period exceeding 60 days either party may, at its option terminate the contract/agreement.
- 15.2 Provided also that if the contract/agreement is terminated under this clause, then MTNL shall be at liberty to take over entire/part of equipment from the partner at a price to be fixed by the MTNL, which shall be final, all unused, undamaged and acceptable materials, bought out components and stores in course of manufacturer in possession of the partner at the time of such termination of such portions thereof as the MTNL may deem fit excepting such materials / bought out components and stores as the contract/agreement or may with concurrence of the MTNL elect to retain.
- 16. Termination for default:**
- 16.1 The MTNL may, without prejudice to any other remedy for breach of Contract/agreement, by written notice of default, sent to the Partner, terminate this contract/agreement in whole or in part.

- a) If the Partner fails to deliver any or all of the services within the time period(s) specified in the Contract/agreement, or any extension thereof granted by the MTNL.
 - b) if the Partner fails to perform any obligation(s) under the Contract/agreement; and
 - c) if the Partner, in either of the above circumstances, does not remedy his failure within a period of 30 days (or such longer period as the MTNL may authorize in writing) after receipt of the default notice from the MTNL.
- 16.2 In the event of termination of contract/agreement in whole or in part, pursuant to clause 16.1, the MTNL will have first right to serve the existing customers if any and it may procure all the access equipment / last mile infrastructure from the partner, upon such terms and in such manner as it deems appropriate. MTNL also reserve the right to engage another partner in place of the present partner to provide the services to the customers.

17. Exclusivity and exit clause:

17.1 Exclusivity:

17.1.1 This Agreement is an arrangement with PARTNER for Ten (10) years of operations on non-exclusive basis from the date of signing the Agreement, which can be further extended on mutual agreement basis.

17.1.2 CPE / STB installed by PARTNER, herein, is the property of the PARTNER and is not to be shared by any other PARTNER and/or PARTNER for any purpose whatsoever.

17.2 Exit:

17.2.1 **PARTNER may exit from this business or prematurely revoke this agreement by giving ten months written notice to MTNL after one year lock in period.** Similarly MTNL can also exit prematurely from this agreement after giving 10 months written notice to Partner after one year lock in period.

17.2.2 In cases of Partner exit,

17.2.2.1 The infrastructure created and owned by PARTNER for delivery of service utilizing MTNL's Network can't be utilized by any other agency till MTNL exercises its right of refusal/acceptance.

17.2.2.2 In such case MTNL may acquire the asset created by PARTNER for delivery of FTTX service, on mutually agreed depreciated value and MTNL will have the first right of acceptance/refusal.

17.2.2.3 The depreciated value of equipment – the net value of the equipment as determined by charging depreciation at rates specified under Schedule VI of the Companies Act of India, 1956 as amended from time to time under the Written Down Value method.

17.2.2.4 In case of no reply / response from MTNL during the notice period of ten months, the partner will be free to act as deemed fit.

17.2.2.5 If MTNL does not exercises his right of acceptance, the partner may transfer its assets with mutual consent to any other partner/entity with intimation to MTNL.

17.2.3 **In cases where MTNL has exercised the exit option,** the assets created by the partner will be of partner and they will be free to use it in any fashion as deemed fit. However, the services to existing customers will be decided by MTNL.

18. Confidentially and Non-Disclosure of Information:

- 18.1 “Confidential Information” shall collectively mean any and all information (whether commercial, non-commercial, business, proprietary, personal or technical), studies, subscription lists, analysis, data, or other documents in written, graphic, oral, or other tangible or intangible forms developed, licensed to and/or owned by any of the parties to this agreement and / or disclosed by one party (owner) to another (recipient) that is prior to or at the time of disclosure, identified in writing as confidential, or such information that by its inherent nature or circumstances of disclosure is deemed to be confidential, or proprietary, or is orally delivered, summarized in writing by Owner and delivered to the Recipient within 15 days of such disclosure. Confidential information shall also be deemed to include any and all information that is obtained by the Recipient or the non-disclosing party in performance of the obligations provided in the agreement. All personally identifiable data including CDRs regarding customers of MTNL shall be deemed confidential information without the need to identify such items as confidential or proprietary. The confidential information shall always remain the property of the owner.
- 18.2 Recipient may use confidential Information of owner only for the purpose. Recipient may disclose confidential information received hereunder to its employees strictly on a need to know basis, for the purpose and who are bound to protect the received confidential information from unauthorized use and disclosure under the terms of a written agreement of similar nature. The recipient further agrees that it shall not use the confidential information of the owner for its own benefit, or the benefit of any third party, even in furtherance of the purpose without the prior written consent of the owner.
- 18.3 The recipient shall ensure that confidential information is not disseminated or accessible to or used by any person, whosoever, who strictly does not have the need to know such information and shall put in place at least such control as it employs with respect to its own proprietary or confidential information of like importance which it does not desire to have disseminated or published, but in any case using no less than a reasonable degree to care. Further, the Recipient shall not make or have made copies of the confidential information in any medium without the consent of the owner.
- 18.4 In the event Recipient is required by law, regulation or court order to disclose any of Owner’s confidential information, recipient will promptly notify owner in writing prior to making any such disclosure in order to facilitate owner seeking a protective order or other appropriate remedy from the proper authority. Recipient agrees to cooperate with owner in seeking such order or other remedy.
- 18.5 The obligation of confidentiality and use with respect to confidential information disclosed hereunder shall survive any termination of this agreement or expiration of the agreement for a period of 5 years unless extended by the owner in writing.
- 18.6 The recipient shall ensure that the physical security, data integrity, handling, storage etc. of all confidential information including handling of CDRs shall conform to the standard security measures. Notwithstanding anything contained herein PARTNER agrees that the data integrity and physical security of the confidential information shall not be compromised in any manner.
- 18.7 Except upon mutual written agreement, or as may be required by law, no party shall in any way or in any form disclose the existence, discussions or negotiation leading to or any matter covered by this agreement.

18.8 The Parties acknowledge that confidential information is unique and valuable, and that disclosure in breach of this agreement will result in irreparable injury to owner for which monetary damages alone would not be an adequate remedy. Therefore, the Parties agree that in the event of any breach or threatened breach of confidentiality, the owner shall be entitled to specific performance and injunctive or any other equitable relief as a remedy for any such breach or anticipated breach. Any such relief shall be in addition to and not in lieu of any appropriate relief or claim for monetary compensation or damages.

19. Prohibition Of Certain Activities By Partner:

19.1 PARTNER shall not provide any content on the FTTX network of MTNL which is prohibited by Indian Laws. Violation of Indian Laws for showing or providing any content shall be sole responsibility of PARTNER.

19.2 PARTNER shall not engage, on the strength of this agreement, in the provision of any service other than the services agreed upon in this Agreement, without prior agreement in addendum to this Agreement regarding such service with MTNL.

19.3 To remove any doubt, it is hereby clarified that nothing contained in above para shall preclude PARTNER from engaging in advertising and promotional activities relating to content services.

19.4 Neither party shall be entitled to use the names, trademarks, service marks or logos of the other without the other's prior written approval.

20. Termination For Insolvency: The MTNL may at any time terminate the contract/agreement by giving written notice to the Partner, without compensation to the Partner, if the Partner becomes unwilling, bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the MTNL.

21. Arbitration, Applicable Law And Jurisdiction:

21.1 All the disputes, differences, controversies / differences of opinions, breaches and violation arising from the Agreement between parties shall be resolved by mutual discussions / reconciliations in good faith.

21.2 If the dispute, difference, controversies / differences of opinion, breaches and violation arising from or related to the Agreement, then such questions, disputes or differences (except as to the matters, the decision to which is specifically provided under this Agreement) shall be referred to the sole arbitration of any person appointed in terms of the provisions of Arbitration and Conciliation Act 1996 (As amended from time to time) by the **Chairman and Managing Director, MTNL/Executive Director/CGM WS(as the case may be)** or in case his designation is changed or his office is abolished, then in such cases to the sole arbitration of any person appointed by such officer for the time being entrusted(whether in addition to his own duties or otherwise) with the functions of the **Chairman and Managing Director/Executive Director/CGM WS(as the case may be)**, MTNL or by whatever designation such an officer may be called (hereinafter referred to as the said officer)., In the event of such an Arbitrator to whom the matter is referred, being vacating his office or neglecting his work or being unable to act for any reason whatsoever, the **Chairman and Managing Director/Executive Director/CGM WS(as the case may be)**, MTNL or the said

- officer shall appoint another person to act as an Arbitrator and the person so appointed shall be entitled to proceed from the stage at which it was left out by his predecessors.
- 21.3 The Arbitration and Conciliation Act, 1996 as amended from time to time and the rules made thereunder shall be deemed to apply to the arbitration proceedings under this clause.
- 21.4 The venue of the Arbitration proceedings shall be Delhi/Mumbai, as the case maybe.
- 21.5 The commercial disputes between Central Public Sector Enterprises inter se and Central Public Sector Enterprise(s) and Central Government Departments shall be settled through PMA in the Department of Public Enterprises the guidelines for which have been circulated by DPE vide letter o. 4(1)/2011-DPE (PMA)-GL dated 12.06.2013.
- 21.6 In the event of any dispute or difference relating to the interpretation and application of the provisions of the contracts, such dispute or difference shall be referred by either party for Arbitration to the sole Arbitrator in the Department of Public Enterprises to be nominated by the Secretary to the Government of India in-charge of the Department of Public Enterprises. The Arbitration and Conciliation Act, 1996 shall not be applicable to arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, when so authorized by the Law Secretary, whose decision shall bind the Parties finally and conclusively. The Parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrator”.

22. Set Off:

- 22.1 Under no circumstances shall Any or some of money due and payable to PARTNER (including security deposit refundable to him) under this Agreement be appropriated by MTNL or any other person(s) contracting/agreementing under the MTNL and set off the same against any claim of MTNL or such other person or person(s) for payment of a sum of money arising out of this Agreement or under any other Agreement made PARTNER with the MTNL or such other person(s) contract/agreementing under the MTNL Except when,
- 22.2 Such dues are required to fulfill, upto determined liability, any penalty or fine imposed on MTNL by appropriate authorities or government, wherein it is determined PARTNER is partly or wholly liable; or
- 22.3 Such dues are payable to third party jointly by MTNL and PARTNER under this Agreement, upto the amount PARTNER may be partly liable.
- 22.4 For the purpose of this clause, all determination required prior to set-off shall be made as per dispute resolution mechanism under this Agreement, save and except where such determination is mutually agreed upon.

23. This Policy shall supersede all previous policies on the subject.

AGREEMENT PROFORMA

(To be furnished on Rs.100/- stamp paper)

To be executed on non-judicial stamp worth Rs.100/- and continuation sheets on ledger papers and two copies on ordinary paper to be submitted neatly type-written sheets on one side of the paper in single line spacing.

AGREEMENT

AGREEMENT with M/sFor providing managed Services on revenue share basis in MTNL area for extending last mile on through fibre/ LAN / Wi-Fi or any other technology to MTNL customers for providing MTNL voice / data / VAS / leased line services and for selecting partners to provide managed VAS services such as IPTV, Gaming etc. to MTNL customers.” **as per scope defined in the POLICY document.**

This agreement is signed on the..... by and between **MAHANAGAR TELEPHONE NIGAM LIMITED** , a company registered under the Companies Act 1956 having its Registered office & Corporate office at MTNL MTNL Door Sanchar Sadan, CGO Lodhi Road, New Delhi-110003 acting under the G.M. MTNL, (hereinafter called **MTNL** which expression shall, unless repugnant to the context, include its successors in business, administrators, liquidators and assigns or legal representatives) of the **FIRST PARTY**

AND#

M/s , a company registered under the Companies Act 1956 / 2013, having its registered office acting under Mr. / Ms., (Designation), the authorized signatory (hereinafter called as **Partner(s) or PARTNER(S)**), which expression shall, unless repugnant to the context, include its successors in business, administrators, liquidators and assigns or legal representatives) of the **SECOND PARTY**.

= Add all Partners in case of Consortium.

WHEREAS

1. MTNL is a Government of India Enterprise, providing Telecom and IT services for Customers in MTNL area of Operation.
2. The MTNL is desirous of appointing Partner(s) for providing managed Services on revenue share basis in MTNL area for extending last mile on through fibre/ LAN / Wi-Fi or any other technology to MTNL customers for providing MTNL voice / data / VAS / leased line services And for selecting partners to provide managed VAS services such as IPTV, Gaming etc. to MTNL customers.”. The **PARTNER(S)** has approached MTNL for authorizing it to act as its Managed Service Partner(s) **for providing Solutions / Services as per scope defined in the document.**

3. The Managed Service Partner(s) has requested to sign an agreement for providing managed Services on revenue share basis in MTNL area for extending last mile on through fibre/ LAN / Wi-Fi or any other technology to MTNL customers for providing MTNL voice / data / VAS / leased line services And for selecting partners to provide managed VAS services such as IPTV, Gaming etc. to MTNL customers **"as per scope defined in the document** for MTNL customers whereupon and in pursuance to the said request, MTNL has agreed to sign this Agreement.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In consideration of the due observance & performance of all the terms and conditions mentioned in this agreement along with the / POLICY terms and condition issued vide number, which are part and parcel of this agreement, MTNL and the M/Sagree to sign agreement for providing managed Services on revenue share basis in MTNL area for extending last mile on through fibre/ LAN / Wi-Fi or any other technology to MTNL customers for providing MTNL voice / data / VAS / leased line services And for selecting partners to provide managed VAS services such as IPTV, Gaming etc. to MTNL customers." **as per scope defined in the document.**
2. This agreement shall be valid for a period of Ten (10) years ("Initial Term") from the date of signing the Agreement unless revoked earlier as per terms and conditions of this POLICY. After the Initial Term, the Agreement will be extended further on mutual agreement basis in terms of five years.
3. M/sand MTNL hereby agrees and unequivocally undertakes to fully comply with all terms and conditions stipulated in agreement without any deviation or reservations of any kind, unless mutually agreed between the parties at any given time.
4. The laws of land as promulgated/modified/amended or replaced from time to time shall govern this Agreement. This agreement is on non-exclusive basis for both parties and MTNL reserves the right to appoint more than one Managed Service Partner(s) in this category
5. This Agreement shall not be amended or modified or altered or changed in any way except in writing and duly executed by the authorized representative of each party.
6. The Agreement is a confidential document. M/s& M/sand MTNL shall not divulge any part of this Agreement either under oral or written communication or under any other mode to any third party unless and until required to do so for executing work as per scope defined in the POLICY document.
7. MTNL reserves the right to provide such services on its own or to enter into Agreement with other parties / persons / service providers for providing similar services from time to time in future without any restriction on number of persons / parties / System Integrators as Channel Partner(s)s, the Partner(s) shall have no objection whatsoever. PARTNER(S)

agrees to adherence to this provision and the same is a material obligation of this Agreement.

8. All terms and conditions as mentioned in Policy, approved in the meeting of the Executive Committee of MTNL on vide No. MTNL/CO/Tech & Plg/FTTH Policy/2017-18 and enclosed with this agreement with subsequent modifications/clarification (if any) are valid and are to be complied.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed under their respective authorized representatives on theday of

Signed for and on behalf of **MTNL** by

General Manager (.....), MTNL, New Delhi

Signed on behalf of **M/s**, by **Shri**, the authorized signatory .and holder of General Power of Attorney dated executed in accordance with the Resolution dated passed by the Board of Directors of the company.

In the presence of Witnesses:

Signature

Signature

Name

Name

Occupation

Occupation

Address

Address

Place

Place

Date

Date