

Government of India
Ministry of Communications & IT
Department of Telecommunication
Sanchar Bhawan, 20-Ashoka Road, New Delhi-110001
(DS Cell)

No. 820-964/07-LR (Vol.II)

Dated: 19.09.2013

To M/s All Internet Service Providers (Holding BWA Spectrum)

Sub.: Amendment of Licence Agreement for provision of Internet Services to incorporate the terms and conditions of Notice Inviting Applications (NIA) for "Auction of 3G and BWA Spectrum" vide No. P-11014/13/2008-PP dated 25.02.2010

You have already been assigned BWA frequencies and were required to provide & roll-out your services as per the terms and conditions of NIA. In order to reflect various provisions of Notice Inviting Applications (NIA) for "Auction of 3G and BWA Spectrum" vide No. P-11014/13/2008-PP dated 25.02.2010 and in pursuance of Condition 5.1 of the Licence agreement for provision of Internet Service, LICENSOR hereby inserts following Condition 37 in the **Licence Agreement for provision of Internet Service**. This amendment, in any way, does not affect the validity/roll-out date of BWA Spectrum assigned to you.

37(i) Validity period for use of BWA Spectrum:

The licensee has the right to use the BWA Spectrum for a period of 20 years from the date of assignment of BWA spectrum which is the date of award of right to commercially use the allocated BWA spectrum block or the date of grant of ISP licence, whichever is later provided that the said period has not been specifically modified by the Government, for operation of Internet Services as defined in the 'Scope of the licence' in Condition 2, Part 1 General Conditions of the Licence agreement for provision of Internet Services subject to the condition of validity of the Category "A" Licence agreement for provision of Internet Services. In case the said Licence is cancelled/terminated/revoked/surrendered for any reason, the spectrum usage rights shall stand withdrawn forthwith.

If the validity of the Category "A" Licence agreement for provision of Internet Services expires before the expiry of validity period of the BWA Spectrum, the Licensor may authorize the licensee to provide services using BWA spectrum for the balance validity period by granting extension to the Licence for provision of Internet Service or an appropriate licence, as may be permissible under the extant policy. Such a request for extension shall be made by the licensee as per the Condition 4, Part 1 General Conditions of the Licence agreement for provision of Internet Services or as specified under the extant policy.

37(ii) Roll-out obligations for BWA Spectrum:

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The Licensee shall ensure compliance of following network roll-out obligations for the service area(s) for which the BWA Spectrum has been earmarked:

(a)Applicable for Metro service areas,(for the purpose of BWA Spectrum) as specified in the NIA P-11014/13/2008-PP dated 25.02.2010:

The licensee shall be required to provide required street level coverage using the BWA spectrum in at least 90% of the service area within five years from the date of assignment of BWA spectrum which is the date of award of right to commercially use the allocated BWA spectrum block or the date of grant of ISP licence, whichever is later provided that the said period has not been specifically modified by the Government.

(b) Other than Metro Service areas (for the purpose of BWA Spectrum) as specified in the NIA P-11014/13/2008-PP dated 25.02.2010:

The licensee shall ensure that at least 50% of the rural SDCAs are covered using the BWA spectrum within five years from the date of assignment of BWA spectrum which is the date of award of right to commercially use the allocated BWA spectrum block or the date of grant of ISP licence, whichever is later provided that the said period has not been specifically modified by the Government.

Coverage of a rural SDCA would mean that at least 90% of the area bounded by the municipal/ local body limits should get the required street level coverage.

If the licensee does not achieve its roll out obligations, its spectrum assignment shall be withdrawn.

37 (iii) Spectrum Usage Charges for BWA Spectrum:

(a) In addition to the Radio Spectrum Usage Charges, as specified in Clause 17.3, the licensee shall pay 1% of AGR from the services using BWA spectrum as annual spectrum charges payable quarterly in advance upto 15th day of the first month of respective quarter.

(b) For BWA Spectrum, no annual BWA spectrum usage charge shall be payable in the first year from the date of award of right to use allotted spectrum commercially.

(c)The revenue from BWA services shall be reported separately in the 'APPENDIX-II TO ANNEXURE-II, Format of Revenue and License Fee' as amended."

All financial condition (Dealing with interest, penalty, submission of PBG and FBG) applicable on License Fee will also be applicable on Spectrum Usage Charges for BWA Spectrum.

37.3(iv) Merger of BWA spectrum blocks:

Unless otherwise notified by the Licensor in due course, if two or more licensees holding BWA Spectrum blocks in the same service area merge, then they shall be allowed to



	including all commissions and discounts etc. excluding the revenues already included in 1(a) & 1(b)			
6	Revenue from sharing/leasing of infrastructure			
7	Revenue from sale/ lease renting of bandwidth, links, R&G cases, turnkey projects etc.			
8	Revenue from Roaming			
i	Roaming facility revenue from own subscribers.			
ii	Roaming revenue from own subscriber visiting other networks.			
iii	Roaming Commission earned.			
iv	Roaming revenue on account of visiting subscribers from other networks.			
v	Service Tax if not included above.			
vi	Any other income/miscellaneous receipt from roaming			
9(a)	Revenue from IPTV Services using BWA Spectrum			
9(b)	Revenue from IPTV Services excluding IPTV Services using BWA Spectrum			
10	Revenue from other Operators on account of provisioning of interconnection			
11	Miscellaneous Revenue			
AA	GROSS REVENUE OF THE LICENSEE			

	miscellaneous receipt from pre-paid options.			
B	Revenue from Internet Telephony Services using BWA Spectrum:			
B1.	Post paid options:			
i	Rentals			
ii	Activation Charges			
iii	Service Tax			
iv	Service charges			
v	Charges on account of any other value added services. Supplementary Services etc.			
vi	Any other income/ miscellaneous receipt from post paid options.			
B2.	Pre-paid options:			
i.	Sale of pre-paid option including full value of all components charged therein.			
ii.	Any other income/ miscellaneous receipt from pre-paid options.			
C	Revenue from any other value added services using BWA Spectrum			
2	Income from trading activity (all including of sales tax)			
(i)	Sale of Terminal Equipments			
(ii)	Sale of accessories etc.			
(iii)	Any other income/ miscellaneous receipt from trading activity.			
3	Income from investments			
(i)	Interest income			
(ii)	Dividend income			
(iii)	Any other miscellaneous receipt from investments.			
4	Non-refundable deposits from subscribers			
5	Revenue from franchisees /resellers			

	BWA Spectrum:			
B1.	Post paid options:			
i	Rentals			
ii	Activation Charges			
iii	Service Tax			
iv	Service charges			
v	Charges on account of any other value added services. Supplementary Services etc.			
vi	Any other income/ miscellaneous receipt from post paid options.			
B2.	Pre-paid options:			
i.	Sale of pre-paid option including full value of all components charged therein.			
ii.	Any other income/ miscellaneous receipt from pre-paid options.			
C	Revenue from any other value added service excluding Value added services using BWA Spectrum			
1(b)	Revenue from services using BWA Spectrum			
A	Revenue from Pure Internet Service (Internet Access and Content Service) using BWA Spectrum:			
A1.	Post paid options:			
i	Rentals			
ii	Activation Charges			
iii	Service Tax			
iv	Service charges			
v	Charges on account of any other value added services. Supplementary Services etc.			
vi	Any other income/ miscellaneous receipt from post paid options.			
A2.	Pre-paid options:			
i.	Sale of pre-paid option including full value of all components charged therein.			
ii.	Any other income/			

Appendix-II to Annexure-II

Format of Statement of Revenue and Licence Fee
 _____ (Name and address of operator)
 _____ ISP Licence No.
 in _____ (Service Area)
Statement of Revenue and Licence Fee for the Quarter

of the financial year.....

S.N.	PARTICULARS	(AMOUNT IN RUPEES)		
		ACTUALS FOR THE PREVIOUS QUARTER	ACTUALS FOR THE CURRENT QUARTER	CUMULATIVE UPTO THE CURRENT QUARTER.
1(a&b)	Revenue from services			
1(a)	Revenue from services (excluding services using BWA Spectrum)			
A	Revenue from Pure Internet Service (Internet Access and Content Service) excluding Pure Internet access services using BWA Spectrum:			
A1.	Post paid options:			
i	Rentals			
ii	Activation Charges			
iii	Service Tax			
iv	Service charges			
v	Charges on account of any other value added services. Supplementary Services etc.			
vi	Any other income/ miscellaneous receipt from post paid options.			
A2.	Pre-paid options:			
i.	Sale of pre-paid option including full value of all components charged therein.			
ii.	Any other income/ miscellaneous receipt from pre-paid options.			
B	Revenue from Internet Telephony Service excluding Internet Telephony service using			