



No: 64-71/08-BB/Kiosk/Pt-I

Dated: 18.10.2011

To,

The CGMs
All Telecom Circles/Metro Districts

Sub: Approval for Setting up of Broadband Kiosks in Rural PCOs under USOF Scheme.

Ref: BSNL Agreement with USOF dated 20 01-2009.

Kindly refer to the above mentioned agreement signed by BSNL with USOF for wire line BB connections in rural & remote DSLAM areas. As per above agreement, Total '28672' Broadband Kiosk (i.e. one kiosk in each DSLAM areas) has to be installed by BSNL with in 5 years from date of signing of the agreement.

At present, BSNL's field units are setting up the Kiosk in BSNL office premises /telephone exchange buildings /Customer Service Centers in rural areas wherever sufficient space is available for opening of such kiosks. BSNL CO. has also circulated a draft EOI to circles for setting up the Broadband Kiosk on franchisees based model but as of now except Gujarat, no other circles has finalized the Franchisee.

In order to achieve the fast roll out defined in above agreement, competent authority has approved for allowing rural/remote PCO booth to be converted into an outlet as BSNL BB Kiosk under USOF agreement in the manner as detailed below:

- (i) This scheme is allowed to implement in those circles, where EOI is yet not floated and/or no successful bidder emerges from the EOI for operating BB Kiosks.
- (ii) BSNL shall offer the free of cost bandwidth connectivity i.e. BB CSC UL 1500 Plan as an incentive to the PCOs owner for one year and extendable up to three years from date of installations or till the validity of the agreement, whichever is earlier. ***However, CGM may be authorized to offer any applicable BB rural plan up to Rs. 1500/- per month or give rebate/discount of Rs. 1500/- in any other higher BB plan in place of BB CSC UL 1500 depending upon local requirements.*** He can also consider providing an additional broadband connection for the Kiosk after satisfying himself about the need based upon traffic utilization of the first connection.
- (iii) The infrastructure for setting up of Broadband Kiosks like Computer, web Camera, Scanner, Printer etc. shall be procured by PCOs owner. The kiosks shall have the capability to support broadband applications such as video chat, video conferencing, telemedicine and tele-education etc.
- (iv) The PCO owner shall be asked to meet the requirements as envisaged in the agreement between BSNL and USOF. A minimum requirements for operating the BB Kiosks is as below: (The salient points of BSNL USOF agreement are enclosed at Annex-I)
 - (a) Display board at each Kiosk as per the design approved by USOF.
 - (b) The hourly internet browsing charges at Kiosk shall not exceed Rs. 5/- per hour.
 - (c) Throughput of each of the Broadband connection provided under the agreement shall be atleast 512 Kbps always on.
 - (d) The kiosks provided shall have atleast one workstation with facility of Internet browsing, taking printouts, scanning of documents.

- (e) The kiosks shall have the capability to support broadband applications such as video chat, video conferencing, telemedicine and tele-education etc.
- (f) The service from the Kiosk shall be available to the general rural public preferably from 8 AM to 4 PM.
- (v) BSNL field units can have the arrangement with PCO owner for BB Kiosk for three years but the agreement for the same shall be signed with the validity of one year from date of signing of the agreement unless revoked earlier. The agreement may further be extended subject to the satisfactory performance of the BB Kiosk. BSNL may also terminate the agreement without prior notice in case breach of terms and conditions of agreement and/or any directions from USOF/DOT. **However, CGM Telecom Circles is authorized to draft the terms and conditions of agreement between BSNL and PCOs owner and it may vary from circles to circles depending upon their local requirements but the circles shall ensure that PCO owner should meet the conditions as envisaged in terms and conditions of USOF agreement.** In order to check the terms and conditions of agreement and performance of BB Kiosk, field unit shall regularly inspect the PCO owner Kiosks. The draft copy of the agreement to be signed by BSNL field units with PCO owner is annexed at Annexure-II. The draft copy of agreement is suggestive in nature and the CGM Telecom Circles is authorized as indicated above to make further modifications in terms & conditions of the draft agreement as per their local requirements.
- (vi) PCO owner may exit from this agreement /arrangement at any time but in this case, free bandwidth connectivity or proposed discount in the bill shall be provided from date of installations till the date on which it was closed/surrendered/shift-out. No penalty for discontinuation of arrangement/agreement may be considered.
- (vii) Criteria for selection and surrender of BB Kiosk:
1. As per USOF-BSNL agreement, one Kiosk per rural DSLAM shall be entitled for the quarterly subsidy amount from the USOF. Hence it is possible that multiple PCO owner may apply for converting their PCO into the Kiosk. There are two more modes available with BSNL for installation of one Kiosk per rural DSALM. Hence, the following selection criteria shall be adopted by BSNL to install one Kiosk per DSLAM.

S.N.	Modes	Priority order	Remarks
1	Vendor selected by EOI	01	In case, EOI is finalized in a circle, this will be the first priority and no PCO shall be converted into the Kiosk, using this scheme.
2	BSNL Self	02	If BSNL premises are suitable to install, operate and maintain the Kiosk, then it would first be considered as higher priority than PCO.
3	PCO booth	03	If above two models are not suitable then PCO owner may be converted into the Kiosks.

2. In case mode '1' & '2' as indicated above, are not available and multiple PCO owners want to convert their PCO into the Kiosk in a rural DSLAM area. Following selection criteria for selection of rural PCO to convert them in to the BB Kiosk may be followed:-

- 2.1 PCOs owner, who would be the maximum revenue generation in past 6 bills i.e. PCOs would be given option to convert PCO booth to BB Kiosk in the order of paid bills to BSNL. Circle would be asked to make written refusal from maximum revenue generation PCO holder before making the offer to next PCO in the chain.
- 2.2 PCOs owner should have sufficient space (minimum 6 feet X 6 feet) for broadband Kiosk has portion to accommodate atleast one workstation with facility of internet browsing, taking printout and scanning of documents. This space should be used exclusively for BB Kiosk and related/similar services.
- 2.3 BB Kiosk should have the capability to provide video chatting, web/video conferencing, tele-medicine, tele-education, fax, photocopying, scanning, printing, email/chat, CD burning, typing etc. BB Kiosk should also have the capability to provide additional desirable and allowable services (telecom related).
- 2.4 Location of kiosk shall be easily accessible to public preferably Village Panchayat home, Community Centers, markets etc., if any.
- 2.5 Kiosk owner who are willing to offer Kiosk services atleast 8 Hrs to 10 hrs. (To be preferable at least 6 days a week)
- 2.6 In case of breach of terms and conditions, or non-payment of any bills/dues of BSNL by the PCO/Kiosk operators at the Kiosk or at any other of his locations, BSNL can terminate this arrangement and withdrawn any or all services without prior notice. The arrangement can also be terminate by either side by giving a notice of one month without any reasons or it can also be terminated at any time with mutual consent.
- 2.7 The essential conditions required for selecting the PCO owner, who are willing to convert their PCO into the BB Kiosk, is mentioned above. **However, CGM is authorized to decide the criteria for selection & surrender of BB Kiosk based upon local experience & local conditions.** The performance of such kiosks shall be reviewed quarterly basis by the concerned circle and the services may be withdrawn, if not found satisfactory.

Above are the guiding principles and CGMs are authorized to make suitable minor changes as per local requirements and fix a suitable, uniform and transparent selection criteria. This is only an interim arrangement to meet immediate targets till an EOI can be finalized. CGMs are authorized to operate upon this scheme up to 31-12-2011 and send the status after reviewing its result/success by 15-01-2012 to Corporate Office.

In the light of above, circles are hereby advised to put all efforts and work towards making success this scheme. Circles are also requested to submit the monthly progress report of the scheme for submission to CMD BSNL.

Arun Gupta
DGM (P3)

Enclosure: a/a

Copy to:

1. CMD, BSNL for kind information pls.
2. DIR (CFA) for kind information pls.
3. Shri D. K. Seth, Secretary General of All India PCO Franchisee Associations for information pls.