

Government of India  
Ministry of Communications and Information Technology  
Department of Telecommunications  
Sanchar Bhawan, 20 Ashoka Road, New Delhi-110 001.

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**SUB: GUIDELINES FOR MOBILE NUMBER PORTABILITY (MNP) SERVICE LICENCE.**

Mobile Number Portability (MNP) allows subscribers to retain their existing telephone number when they switch from one service provider to another or from one technology to another of the same service provider. Following are the broad Guidelines for grant of **MOBILE NUMBER PORTABILITY (MNP) SERVICE LICENCE** in the country:

1. Grant of Mobile Number Portability (MNP) Services Licence shall be based on bidding process.
2. The bidder company must be a company registered under 'The Companies Act 1956'. If the bidder is under process for registering the company under 'The Companies Act 1956', for participation in the bid, the bidder should disclose their intention to register a company in India at the time of submitting the bid alongwith proof of application submitted to Registrar of Companies to this effect. The company is required to be registered under 'The Companies Act 1956' before grant of licence or within 3 months from the last date for submission of Bid.
3. Presently, the country is divided into 22 service areas for mobile services. The Service Areas for the purpose of MNP operation shall be co-extensive and be the same for the named Service Areas as those of existing UAS/ CMTS licences. It may be noted that there are certain CMTS/ UAS licences which are operating either in Tamil Nadu (excluding Chennai), and/or Chennai or Tamil Nadu (including Chennai) service area. Any further UAS licence granted after 31.03.2008 and in future shall also be covered for MNP implementation as per existing policy of the Government.
4. **MNP zones:** For the purpose of grant of Licences for MNP operation in India, the whole country is divided into 2 MNP zones (Zone 1 & zone 2) consisting of 11 Licenced Service Areas (LSAs) each with 2 Metro service areas in each zone. The details of each Zone are annexed as in Annexure - I.
5. MNP is to be implemented in each LSA for intra service area MNP. Initially MNP is to be implemented in all Metro and Category 'A' service areas within 6 month of award of the Licence. Later on, the operation of MNP will be expanded in the rest of the respective zones in time bound manner in phases.

The total MNP implementation in each zone in the country shall be completed within 1 year of award of the Licence in respective zones. The road map shall be submitted by the MNP Licence applicant at the time of bidding.

6. There shall be only one licence for MNP services in each MNP zone.
7. One company can bid for both the zones. However, only one MNP licence shall be issued to any eligible and successful bidder company in either of the MNP zones as per the priority indicated at the time of bidding by the company.
8. The Licensee shall provide MNP services in the respective zone on an exclusive basis for a period of five years from the date of award of the licence. DoT reserves the right to review this exclusivity condition in the larger public interest and national security considerations. The duration of MNP service license shall be for a period of 10 years from the effective date of licence, extendable for a further period of 10 years by the licensor on request of the licensee.
9. The MNP Services licensee shall provide and operate the services according to the terms and conditions laid down in the licence agreement as amended from time to time.
10. The licensee will operate the MNP system based on 'build, operate and owned basis'. It has to take into account traffic study, services to be given, etc. for dimensioning of its Mobile Number Portability Clearing House (MCH), Number Portability Data Base (NPDB) and database query response system. The Company shall arrange all those equipments and solutions (tools and testers etc.) which may be required for efficient working from time to time.
11. Direct Solution i.e. All Call Query method be implemented for mobile number portability in India.
12. In a multi-operator scenario when N operators are involved in the complete call setup, considering 1 being the originating operator and N being Terminating operator, (N-1)th operator shall be responsible for routing the call to the ported numbers.
13. The system should be flexible, scalable and configurable to meet future requirements. The design of clearing house will be such that total time to port should not exceed two working days initially but up gradable to much faster levels. Customer shall approach the recipient operator for porting his/her number. Donor operator shall not use ported out numbers till such time it is in use by the ported subscriber. After the surrendering of number by ported subscriber the number shall revert back to the original donor operator.
14. Department of Telecommunications shall provide unique Routing Number (RN) to each Access Services operator to enable routing to ported number.

15. **Restrictions on Equity:** No single company/ legal person / the MNP License applicant or MNP Licensee Company either directly or indirectly will have any equity, in any of the telecom service provider licensee company (Basic service, UAS, CMTS, NLD and/or ILD licensees) in India. Similarly any telecom service provider licensee company (Basic service, UAS, CMTS, NLD and/or ILD licensees) will not have any equity, directly or indirectly, in the applicant/MNP Licensee Company.
16. No bidder/ MNP Licensee and their shareholders, either directly or indirectly, shall have any substantial equity share holding (SEH) in more than one MNP Licensee Company. 'Substantial equity share holding (SEH) herein will mean 'an equity of 10% or more'.
17. **Foreign Equity:** Foreign Direct Investment (FDI) shall be subject to extant guidelines and regulations. However, equity of the foreign partner in the company should not be less than 26%.
18. **Paid up capital:** The applicant Company shall have a minimum paid up capital of an amount Rs 10 Crores on the date of the application.
19. **Networth:** The applicant Company and equity holders in the applicant company shall have a combined net-worth of atleast Rs. 100 Crores.

The net worth of only those Equity Share Holders shall be counted, who have 26% or more equity in the applicant company, in the proportion of their direct equity. Any indirect equity held in the applicant company shall not be counted for this purpose.

Here the net worth shall mean the sum total, in Indian rupees, of paid up equity capital and free reserves. While counting Net-worth, the foreign currency shall be converted into Indian Rupees at the prevalent rate indicated by the Reserve Bank of India as on the date of opening of Bid.

20. The minimum net worth, as well as paid up equity capital as mentioned above is to be maintained during the currency of the licence by the MNP Licensee.
21. **Experience:**
  - (A) The Applicant / bidder should have implemented and operating successfully MNP solution for a subscriber base of not less than 25 million mobile subscribers in one or more countries put together for a continuous period of at least 2 years as on the date of bidding.
  - (B) For satisfying the eligibility condition for experience criteria, either the applicant Company should have required experience, or its share equity holders having direct equity of 26 % or more in the Company shall have required experience.
  - (C) In case of successful award of license, the equity holder whose experience has been taken into account for fulfilling the eligibility conditions, shall not be allowed to dilute its equity shareholding in the Company below 26%

equity share capital for at least three years from the date of commencement of operation of mobile number portability in the country.

22. **Entry Fee:** One time, non-refundable, Entry Fee of Rs. 1 (one) Crore is required to be paid for grant of MNP services licence.
23. **Licence Fees:** In addition to the Entry fee described above, the Licensee shall also pay Licence fee annually @ 1 (one) % of Adjusted Gross Revenue (AGR) of the licensee Company. There shall be a moratorium of licence fee payment for first two years from effective date of the licence. The Licensor reserves the right to modify the above mentioned Licence Fee at any time during the currency of the MNP services license.
24. The bidder shall submit an earnest money bank guarantee of Rs. One crore with the bid.
25. **Method of Selection:** For award of MNP services license in each zone, applicant(s) / bidder(s) shall be first screened in the pre-qualification round on the basis of eligibility criteria consisting of technical and financial strengths, experience, track record etc. Then, the pre-qualified applicant(s)/ bidder(s) shall be subjected to a 'Techno-Economic Evaluation' of bids for final selection.
26. **Parameters for selection:** As the final selection of the company for award of MNP services Licence for the respective Zone shall be based on 'Techno-Economic Evaluation' method, various parameters shall be considered for assessment. Applicant(s)/ bidder(s) shall be assigned marks for the various parameters for the purpose of evaluation of the bid.  
  
The parameters and method of marking/ assessment for the selection through 'Techno-Economic Evaluation' of bids is annexed as Annexure –II.
27. The bidders shall strictly comply with technical, commercial conditions, financial and operating conditions laid by the Licensor.
28. The successful bidder shall pay the entry fee and furnish Performance Bank Guarantee of Rs. One crore and Financial Bank Guarantee of Rs. Two crore before grant of MNP license.
29. The Licensee shall comply with any order, direction, determination or regulation as may be issued from time to time by the Licensor or TRAI as the case may be.
30. Liquidated Damages (LD) on account of failure to meet Roll Out Obligations shall be prescribed separately.
31. All Unified Access Services (UAS) / Cellular Mobile Telephone Service (CMTS) Licensees shall implement Mobile Number Portability (MNP), i.e. support the porting of mobile numbers between Mobile Operators and route

calls to ported numbers within the same LSA. All Basic Services, NLD and ILD Licensees shall also support the routing of calls to ported numbers.

32. In the interests of security, suitable monitoring equipment as may be prescribed for each type of system used will be provided by the LICENSEE for monitoring as and when required by LICENSOR. The specific orders or directions from the Government, issued under such conditions, shall be applicable.
33. The LICENSEE shall provide necessary facilities depending upon the specific situation at the relevant time to the Government to counteract espionage, subversive act, sabotage or any other unlawful activity.
34. The LICENSEE shall make available on demand to the person authorized by the LICENSOR, full access for technical scrutiny and for inspection, which can be visual inspection or an operational inspection.
35. The LICENSEE shall not, without the prior written consent of the LICENSOR, either directly or indirectly, assign or transfer this LICENCE in any manner whatsoever to a third party or enter into any agreement for sub-Licence and/or partnership relating to any subject matter of the LICENCE to any third party either in whole or in part i.e. no sub-leasing/partnership/third party interest shall be created.
36. LICENSOR shall have the right to take over the SERVICE, equipment and networks of the LICENSEE or revoke/terminate/suspend the LICENCE either in part or in whole of the MNP Zone in the interest of national security or in case of emergency or war or low intensity conflict or any other eventuality in public interest as declared by the Government of India.
37. LICENSEE will ensure that the installation carried out by it should not become a safety hazard and is not in contravention of any statute, rule or regulation and public policy.
38. The LICENSOR reserves the right to modify at any time the these guidelines and terms and conditions of the LICENCE, if in the opinion of the LICENSOR it is necessary or expedient to do so in public interest or in the interest of the security of the State or for the proper conduct of the telegraphs. The decision of the LICENSOR shall be final and binding in this regard.
39. The bid documents containing detailed terms and conditions shall be issued separately.

<b>MNP ZONES</b>		
<b>Sr. No.</b>	<b>ZONE - 1 SERVICE AREAS</b>	<b>ZONE - 2 SERVICE AREAS</b>
1	Gujarat	Andhra Pradesh
2	Haryana	Assam
3	Himachal Pradesh	Bihar
4	Jammu & Kashmir	Karnataka
5	Maharashtra	Kerala
6	Punjab	Madhya Pradesh
7	Rajasthan	North East
8	Uttar Pradesh (E)	Orissa
9	Uttar Pradesh (W)	Tamil Nadu including Chennai
10	Delhi	West Bengal
11	Mumbai	Kolkata

## Parameters for selection of MNP Licensee

Parameter		Bench Mark	Marks
A	Mobile Subscriber base supported for MNP	25 Million	10
		Highest Mobile Subscriber base supported say X Million	15
		Mobile Subscriber base supported between 25 to X Million	Proportionate marking
B	Networth of the MNP operator/ partner in proportion of equity shareholding as per guidelines	Rs. 100 Crore	10
		Highest Networth among the applicants, say Rs. Y Crore	15
		Networth between Rs. 100 to Y Crore	Proportionate marking
C	Gross Revenue from Mobile Number Portability during last Financial Year	Lowest Gross Revenue among the applicants, say Rs. P Crore	10
		Highest Gross Revenue among the applicants, say Rs. Q Crore	15
		Gross Revenue between Rs. P Crore to Q Crore	Proportionate marking
D	Mobile Numbers ported	5 million mobile numbers ported	10
		Highest Mobile numbers ported, say R Million	15
		Mobile numbers ported between R & 5 million	Proportionate marking
E	Technical solution in Country 'AA'  (only countries with minimum of one million numbers ported will be considered)	If the bidder has own developed solution for MNP – Indicate components. Please indicate components obtained from other vendor. Also indicate about the capability to upgrade the system components on its own strength.	10 for minimum strength among bidder
	Technical solution in Country 'BB'  (only countries with minimum of one million numbers ported will be considered)		15 for maximum strength among bidder
	Insert more countries, if required		Proportionate marking for bidders in-between
F	Reliability of the architecture	Failure rate (in terms of %)- how many time system crashes due to design defects.	10 for minimum strength among bidder
		Also indicate MTBF	15 for maximum strength among bidder
			Proportionate marking for bidders in-between
G	Performance of Architecture	(1) Speed of performance i.e. average time taken to handle a MNP query.	7 for minimum strength among bidder
		(2) No. of queries that can be handled simultaneously.	10 for maximum strength among bidder
		(3) Percentage of wrong results due to system bugs. (4) MTTR	Proportionate marking for bidders in-between