

GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
AND
INFORMATION TECHNOLOGY
DEPARTMENT OF TELECOMMUNICATIONS
20, ASHOKA ROAD, SANCHAR BHAWAN
NEW DELHI-110 001, INDIA.

LICENSE AGREEMENT
FOR
PROVISION OF CAPTIVE
MOBILE RADIO TRUNKING SERVICE

IN _____ SERVICE AREA

NO _____ DATED _____

TOTAL PAGES _____

LICENSE AGREEMENT
FOR
CAPTIVE MOBILE RADIO TRUNKING SERVICE

This AGREEMENT is made on the _____ day of _____ (month) _____ (year) by and between the President of India acting through _____ (name), Director(CS-I), Department Of Telecommunications (DOT), Sanchar Bhavan, 20, Ashoka Road, New Delhi – 110 001 (hereinafter called the LICENSOR) of the FIRST PARTY.

AND

M/s _____, a company registered under the Companies Act 1956, having its registered office at _____ acting through Shri. _____, the authorised signatory (hereinafter called the LICENSEE which expression shall, unless excluded by or repugnant to the context, include its successor in business, administrators, liquidators and assigns or legal representatives) of the SECOND PARTY.

WHEREAS by virtue of the provisions of Section 4 of the Indian Telegraph Act, 1885, the LICENSOR enjoys privilege to grant License and the LICENSEE has requested to grant Captive Mobile Radio Trunk Service license. Whereupon and in pursuance to the said request, the LICENSOR has agreed to grant this Captive Mobile Radio Trunk Service License for provisioning of Mobile Radio Trunk Service for captive use in the licensed service area more specifically described in Schedule-I appended hereto.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In consideration of the payment of license fee, and due performance of all the terms and conditions mentioned in this license agreement on the part of the LICENSEE, the LICENSOR does, hereby grant under Section 4 of the Indian Telegraph Act, 1885 on a non-exclusive basis, this license to set up and operate the Mobile Radio Trunk Service in the licensed service area, described in Schedule-I appended hereto.
2. The LICENSE hereby granted shall remain valid for 20 (Twenty) years from the Effective date unless revoked earlier for any reason whatsoever.
3. The LICENSEE hereby agrees and unequivocally undertakes to fully comply with all terms and conditions stipulated schedule-II appended hereto in this License Agreement without any deviation or reservations of any kind.
4. Effective Date of this LICENSE shall be
5. The License shall be governed by the provisions of the Indian Telegraph Act, 1885, Indian Wireless Telegraphy Act, 1933 and Telecom Regulatory Authority of India Act, 1997 as amended from time to time.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed through their respective authorised representatives on the _____(day) _____(month), _____(year).

Signed for and on behalf of
President of India.

By

(Name & Designation)

Signed on
behalf of M/s. _____

By

(Name & Designation)

(authorised signatory and holder of
General Power of Attorney dated_____,
executed in accordance with the Resolution
No. _____dated _____
passed by the Board of Directors)

In the presence of:

Witnesses:

1.

Signature

Name

Occupation.

Address

2.

Signature

Name

Occupation.

Address

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SCHEDULE OF SERVICE AREA

1.0 SERVICE AREA : (Note : Only the relevant portion to be written in the respective License Agreement)

The service Area for which this license is awarded is **as** given below.

_____ Service Area.

1.1 The service Area of the License shall be location specific as per the license agreement.

SCHEDULE-II : TERMS AND CONDITIONS

Part-I GENERAL CONDITIONS:

1.0 Scope of licence:

1.1 This LICENSE is granted to provide SERVICE on a non-exclusive basis in the designated SERVICE AREA by utilizing any type of network equipment, including circuit and/or packet switches, that meet the relevant International Telecommunication Union (ITU)/Telecommunication Engineering Center (TEC)/International standardization bodies such as 3GPP/3GPP-2/ETSI/IETF/ANSI/EIA/TIA/IS. Provided further that the LICENSOR, **on** its own or through a DESIGNATED OPERATOR, shall always have a right to operate the SERVICE anywhere in India including the service area for which this license is granted.

1.2 LICENSEE shall make its own arrangements for all infrastructure involved in providing the service and shall be solely responsible for installation, networking and operation of necessary equipment and systems, treatment of subscriber complaints, issue of bills to its subscribers, collection of revenue, attending to claims and damages arising out of his operations.

2. Duration of License

2.1 For Analogue Systems:

The duration of LICENSE agreement shall be for a period of 20 years, commencing from the effective date given in the license agreement unless revoked/terminated /suspended earlier for reasons specified in this license agreement.

2.2 For Digital Systems:

(a) The duration of LICENSE agreement shall be for a period of 20 years, commencing from the effective date given in the license agreement unless revoked/terminated/suspended earlier for reasons specified in this license agreement.

(b) The LICENSOR may extend, if deemed expedient, the period of LICENSE by 10 years at one time, upon request of the LICENSEE, if made during 19th year of the License period on terms mutually agreed. The decision of the LICENSOR shall be final in regard to the grant of extension.

3. Modifications in the Terms and Conditions of License:

3.1 The LICENSOR reserves the right to modify at any time the terms and conditions of the LICENSE, or incorporate new conditions, if in the opinion of the LICENSOR it is considered necessary or expedient to do so in the interest of national security, public interest and for proper conduct of the service/ telegraphs. The decision of the LICENSOR shall be final in this regard.

4. Restrictions on 'Transfer of License:

4.1 The LICENSEE shall not, without the prior written permission, of the LICENSOR, either directly or indirectly, assign or transfer this LICENSE/its rights in any manner whatsoever under the license to a third party or enter into any agreement for sub-license and/or partnership relating to any subject matter of the LICENSE to any third party either in whole or in any part i.e. no sub-leasing/partnership/third party interest shall be created. Provided that the LICENSEE can always employ or appoint agents and employees for provision of the service.

4.2 The Licensee may transfer or assign the License Agreement with prior written approval of the Licensor to be granted on fulfillment of the following conditions:-

- (i) When transfer or assignment is requested in accordance with the terms and conditions on fulfillment of procedures of Tripartite Agreement if already executed amongst the Licensor, Licensee and Lenders; or
- (ii) Whenever amalgamation or restructuring i.e. merger or demerger is sanctioned and approved by the High Court or Tribunal as per the law in force; in accordance with the provisions; more particularly of Sections 391 to 394 of Companies Act, 1956; and
- (iii) The transferee/assignee is fully eligible in accordance with eligibility criteria contained in tender conditions or in any other document for grant of fresh license in that area and shows its willingness in writing to comply with the terms and conditions of the license agreement including past and future roll out obligations; and

(iv) All the past dues are fully paid till the date of transfer/assignment by the transferor company and thereafter the transferee company undertakes to pay all future dues inclusive of anything remained unpaid of the past period by the outgoing company.

5. Provision of Service:

5.1 The LICENSEE shall be responsible for, and is authorised to own, install, test and commission all the equipment to commission the Applicable system for Mobile Radio Trunking Service for captive use under this License agreement.

6. Requirement to furnish information:

6.1 The LICENSEE shall furnish to the Licensor/TRAI, on demand in the manner and as per the time frames such documents, accounts, estimates, returns, reports or other information in accordance with the rules/ orders as may be prescribed from time to time. The LICENSEE shall also submit information to TRAI as per any order or direction or regulation issued from time to time under the provisions of TRAI Act, 1997 or an amended or modified statute.

7. Suspension, Revocation or Termination of License:

7.1 LICENSOR shall have the right to revoke/terminate/suspend the LICENSE either in part or whole of the Service area 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. Provided any specific orders or direction from the Government issued under such conditions shall be applicable to the LICENSEE and shall be strictly complied with. No License Fee shall be payable for the period for which the operation of this LICENSE remains suspended under this condition.

Provided that the LICENSOR shall not be responsible for any damage or loss caused or arisen out under this condition. Provided further that the suspension of the LICENSE under this condition shall not be a cause or ground for extension of the period of the LICENSE and suspension period shall count as part of the period of licence.

7.2 The LICENSOR may, without prejudice to any other remedy available for the breach of any conditions of LICENSE, by a written notice of 60 Calendar days from the date of issue of such notice to the LICENSEE at its registered office, terminate this LICENSE under any of the following circumstances :

If the LICENSEE:

- a) fails to perform any obligation(s) under the LICENSE including timely payments of fee and other charges due to the LICENSOR;
- b) fails to rectify, within the time prescribed, any defect as may be pointed out by the LICENSOR.
- c) goes into liquidation or ordered to be wound up.
- d) is recommended by TRAI for termination of LICENSE for non-compliance of the terms and conditions of the LICENSE.

7.3 For consideration of termination of License under Clause 7, the Licensee would be required to:

(i) pay all its dues (License fee and WPC charges) in terms of the License Agreement till the proposed date of termination as per self assessment.

(ii) pay a security deposit, which would be refunded after adjustment of the dues in terms of the License Agreement after final settlement of the company's account. The amount of security deposit should be equal to 50% of the highest annual license fee plus WPC charges paid by the licensee during the last three years, calculated on pro-rata basis for the period for which Audited accounts and other documents are not made available to the satisfaction of the Licensor.

(iii) provide an undertaking that DOT shall be free to invoke any other remedy for realization of any other outstanding dues from the company in the form of Indemnity Bond.

7.4 On compliance of Clause 7.3 by the Licensee, the Bank Guarantee would be returned by the Licensor consequent upon termination of license under Clause 8.

7.5 LICENSEE may surrender the LICENSE, by giving notice of at least 60 Calendar days in advance. In that case it shall also notify all its customer of consequential withdrawal of SERVICE by sending a 30 Calendar days notice to each of them. The LICENSEE shall pay all fees payable by it till

the date on which the surrender of the LICENSE becomes effective. The effective date of surrender of License will be 60 Calendar days counted from the date of receipt of such notice by the licensor.

7.6 The LICENSOR reserves the right to revoke the LICENSE at any time in the interest of public by giving a notice of 60 Calendar days from the date of issue of such notice.

7.7 The licensor reserves the right to take over the entire services, equipments and networks of the licensee or revoke/terminate/suspend the license in the interest of public or national security or in the event of national emergency/war or law intensity conflict or similar type of situations. Further, the LICENSOR reserves the right to keep any area out of the operation zone of the SERVICE if implications of security so require.

7.8 Breach of non-fulfillment of License conditions may come to the notice of the LICENSOR through complaints or as a result of the regular monitoring. Wherever considered appropriate LICENSOR may conduct an inquiry either suo-moto or on complaint to determine whether there has been any breach in compliance of the terms and conditions of the LICENSE y the LICENSEE and upon such inquiry the LICENSEE shall extend all reasonable facilities and shall endeavor to remove the hinderance of every type.

8. Actions pursuant to Termination of License:

8.1 If under the License Agreement, material event occurs which entitle the LICENSOR to terminate the License Agreement, the LICENSOR shall proceed in accordance with the terms and conditions provided in the Tripartite Agreement read with the License agreement wherever such agreement is executed and signed. In cases where no such agreement is signed the action will be taken as per the clauses given below.

8.2 On termination or surrender or expiry of the LICENSE, the Bank Guarantee shall be released to the LICENSEE only after ensuring clearance of all dues, which the LICENSEE is liable to pay to the licensor. In case of failure of the LICENSEE to pay the amounts due to the LICENSOR, the outstanding amounts shall be realised through encashment of the Bank Guarantee without prejudice to any other action(s) for recovery of the amounts due to the LICENSOR.

9. Force- Majeure:

9.1 If at any time, during the continuance of this LICENSE, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, explosion, epidemic, quarantine restriction, strikes and lockouts (as are not limited to the establishments and facilities of the Licensee), fire, floods, natural calamities or any act of GOD (hereinafter referred to as EVENT), provided notice of happenings of any such EVENT is given by the affected party to the other, within 21 Calendar days from the date of occurrence thereof, neither party shall, by reason of such event, be entitled to terminate the LICENSE, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance. Provided SERVICE under the LICENSE shall be resumed as soon as practicable, after such EVENT comes to an end or ceases to exist. The decision of the LICENSOR as to whether the service may be so resumed (and the time frame within which the service may be resumed) or not, shall be final and conclusive.

9.2 However, the Force Majeure events noted above will not in any way cause extension in the period of the LICENSE.

9.3 While it will normally not be a ground for non-payment of License Fee, the liability for payment of License fee for such inoperative period(s) due to force majeure clause may, however, be reduced/waived by the LICENSOR, at its discretion based on circumstances of the EVENT.

10. SET OFF CLAUSE:

10.1 In the event any sum of money or claim becomes recoverable from or payable by LICENSEE to the LICENSOR either against this License Agreement or otherwise in any manner, such money or claim can be (without restricting any right of set off for counter claim given or employed by law) deducted or adjusted against any amount or sum of money then due or which at any time thereafter may become due to the LICENSE under this License Agreement or any other agreement or contract between the LICENSOR and the LICENSEE.

10.2 The aforesaid sum of money payable to the LICENSEE Company shall include any security, which can be converted into money.

10.3 After exercising the right of set off a notice shall always be given immediately by the licensor to the licensee.

11.0 General:

11.1 The Licensee shall be bound by the terms and conditions of this License Agreement as well as by such orders/directions/ /regulations of TRAI as per provisions of the TRAI Act, 1997 as amended from time to time and instructions as are issued by the Licensor/TRAI.

11.2 All matters relating to this License will be subject to jurisdiction of Telecom Disputes Settlement and Appellate Tribunal (TDSAT) in terms of TRAI Act, 1997 including any amendment or modification thereof.

11.3 The Statutory provisions and the rules made under the Indian Telegraph Act, 1885 or Indian Wireless Telegraphy Act, 1933 shall govern this License agreement. Any order passed under these statutes shall be binding on the licensee.

PART-II COMMERCIAL CONDITIONS:

12. Publication of the Captive Mobile Radio Trunking Service Directory:

12.1 Determination of TRAI with regard to publication of mobile radio trunk service directory containing information of subscribers of mobile radio trunking service shall be applicable and binding.

PART-III FINANCIAL CONDITIONS:

13. FEES PAYABLE:

13.1 License Fees:

(a) All Captive Mobile Radio Trunked Service licensees shall pay license fee except for agencies working for public service such as Police, Fire and Government Security.

(b) License fee for captive mobile radio trunking service Systems shall be Rs.300/- per annum per terminal subject to a minimum of Rs.25000/- per annum per licensed area.

13.2 Radio Spectrum Charges:

In addition to the license fee, the royalty and fees shall be separately paid for use of Radio Spectrum. The present arrangement of Spectrum Charging from captive mobile radio trunking service licenses shall be subject to changes made by WPC from time to time.

Further, royalty for the use of spectrum for point to point links and access links, if allowed to be established, (other than mobile radio trunking service Spectrum) shall be separately payable as per the details and prescription of Wireless Planning & Coordination Wing. The fee/royalty for the use of spectrum/possession of wireless telegraphy equipment depends upon various factors such as frequency, hop and link length, area of operation etc. Authorization of frequencies for setting up Microwave links, if allowed to be established, by mobile radio trunking service Operators and issue of Licenses shall be separately dealt with WPC Wing as per existing rules.

The above spectrum charge is subject to review by WPC Wing from time to time.

14. Schedule of payment of ANNUAL LICENSE FEE and other dues:

14.1 For the purpose of payment of the License Fee , the first year shall end on 31st March following the date of commencement of the License Agreement and the License Fee for the first year shall be determined on a pro-rata basis for the actual duration of the 'year'. From second year onwards, the year shall be of Twelve English Calendar months from 1st of April to 31st of March for payment of License Fee.

EXPLANATION: The license fee for the last quarter of first year and of the last quarter of the last year of the license, will be computed with reference to the actual number of days after excluding the earlier quarters, each being of three months.

14.2 The license fee shall be payable in four quarterly instalments during each Financial Year. Each quarterly instalment shall be paid in advance, 15 days prior to the commencement of that quarter, duly certified with an affidavit by a representative of the LICENSEE, authorized by the Board resolution coupled with General Power of Attorney.

14.3 The quarterly payment shall be made together with a STATEMENT indicating the number of terminals in use at the end of each month. The number of terminals in use at the end of each month shall be added for all the months of quarter and divided by the number of completed months for the purpose of calculation of License Fee.

14.4 The Licensee shall adjust and pay the difference between the advance payment made and actual amount duly payable for a quarter, within 10 days of the completion of the quarter..

14.5 Any delay in payment of License fee, or any other dues payable under the LICENSE beyond the stipulated period will attract interest at a rate which will be 2% above the Prime Lending Rate (PLR) of State Bank of India existing as on the beginning of the Financial Year (namely first April) in respect of the license fees pertaining to the said Financial Year. The interest shall be compounded monthly and a part of the month shall be reckoned as a full month for the purposes of calculation of interest.

14.6 In case, the total amount paid on the self assessment of the LICENSEE as quarterly License Fee for the 4 (four) quarters of the financial year, falls short by more than 10% of the payable license fee, it shall attract a penalty of 50% of the entire amount of the short payment. This amount of short payment along with the penalty shall be payable within 15 days, failing which interest shall be further charged as per terms of Condition 14.5.

14.7 The license Fee/royalty described at 13.2 above shall be payable at such time(s) and in such manner as the WPC Cell of the Ministry of Communications & IT may prescribe from time to time.

14.8 All sums becoming due and payable as mentioned in this License Agreement shall be paid by the LICENSEE through a demand draft or Pay Order payable at New Delhi, drawn on any Scheduled Bank, in favour of the Pay & Accounts Officer (HQ), DOT or any other Authority if so designated by LICENSOR.

14.9 The LICENSEE, shall separately pay the access charges for carriage of calls originating in his network but carried and terminated in the BSNL/MTNL/Other Access Service Providers' network. The LICENSEE shall also separately pay charges for network resources obtained by the licensee from BSNL/MTNL/other licensed Access service provider. This will be governed by mutual agreement and / or the determination of TRAI.

15. BANK GUARANTEE (BG) :

15.1 FINANCIAL BANK GUARANTEE:- The licensee shall submit a Financial Bank Guarantee (FBG), valid for one year, from any scheduled bank in India, or Indian Public Financial Institution (IPFI) in the prescribed format at Annexure III. The amount of FBG shall be Rupees one lakh or an amount equivalent to the license fee of the last two quarters of the previous year and other dues not otherwise securitised, which ever is higher, The FBG will be valid initially for one year and is to be maintained for the entire period of the License Agreement till final clearance of all such dues. The amount of FBG shall be subject to periodic review by the Licensor.

15.2 The fees charges and royalties for the use of spectrum and also for possession of Wireless Telegraphy equipment shall be separately securitised by furnishing BG as required by WPC. The bank guarantee shall be valid initially for a period of one year and is to be maintained for the entire period of the License Agreement till final clearance of all such dues.

15.3 The LICENSEE, on its own, shall extend the validity period of the Bank Guarantee (s) for similar terms at least one month prior to date(s) of its expiry without any demand or notice from the LICENSOR on year to year basis. Any failure to do so, shall amount to violation of the terms of the LICENSE and entitle the LICENSOR to encash the Bank Guarantee(s) and to convert into a cash security without any reference to the LICENSEE at his risk and cost. No interest or compensation whatsoever shall be payable by the LICENSOR on such encashment.

15.4 Without prejudice to its rights of any other remedy, Licensor may encash BG in case of any breach in the terms & conditions of the LICENSE by the LICENSEE

Part-IV TECHNICAL CONDITIONS:

16. TECHNICAL CONDITIONS:

16.1 The Company shall specify the details of technology (Digital/Analogue) , Quality of Service and other Performance Parameters of the Systems proposed to be deployed for operation of the service. The technology should be based on standards issued by ITU/TEC or any other International Standards Organisations/bodies and the Licensee shall seek the approval of Licensor before deployment of such technologies.

16.2 USE OF FIXED TELEPHONES : Primary purpose of providing the service is to cater to the needs of mobile subscribers. Use of fixed stations will be secondary. Total number of fixed stations in the network should not exceed 10% of the total numbers of subscribers at any time.

16.3 TRANSMISSION CHARACTERISSTICS : The system installed for providing service should be designed in such a way so as to provide good radio coverage inside the buildings within the service area. The system will be designed to cover a radial distance of maximum 30 Kms from the base station expect where larger distance has been allowed in respect of any individual license.

16.4 FREQUENCY BAND : The frequency band and permissible power limits from the base stations are as per details given below. Only available frequency slots in these bands shall be considered for allotment to the Licensee as per NFAP-2002, revised from time to time.

300MHz or 400MHz or 800MHz

a) Frequency Bands:

i) 335.4-367MHz (338-340MHz paired with 348-350 MHz, 336-338 MHz paired with 346-348 MHz & 340-342 MHz paired with 355-357 MHz on case by case basis)

(ii) 380-389.9 MHz paired with 390-399.9 MHz and in 410-430 MHz on a case by case basis for digital radio trunking system.

(iii) 806-811 MHz paired with 851-856 MHz, 811-814 MHz paired with 856-859 MHz.

(iv) 819-824 MHz paired with 864-869 MHz.

b) Max RF power output:-Base station upto 100 Watts

- Vehicle Mobile upto 30Watts

- Hand-held upto 03 Watts

c) Adjacent channel spacing:	300 MHz/400MHz band	800 MHz band
	12.50 KHz(11KOF3E)	25 KHz (11KOF3E)

d) Duplex Spacing:	300/400 MHz band	800 MHz band
(Tx Rx Spacing)	10 MHz	45 MHz

16.5 Only real time voice & message communication among the users of the service is permissible. Following are the some of the optional services which may be provided in the licensed network. Any other optional services may be listed in the proposal :

i) Group calling

ii) Priority call override

iii) Fleet /Dispatch call

iv) Mobile to mobile and mobile to Fixed direct communication by passing the base station without exceeding the maximum RF power limits specified in clause 20.6.1. above.

v) Closed user group.

A mobile station is authorised to transmit any frequency assigned to the associated base station(s).

16.6 CHANNEL ASSIGNMENT AND LOADING:

16.6.1 No interconnection among two separately licensed systems will be permissible.

16.6.2 Separate license will be required for operating in another frequency band irrespective of same base station / repeater station sites being used for the new system.

16.6.3 Initially, not exceeding five channels (frequency pairs) will be assigned for Captive Analogue/Digital Mobile Radio Trunking System. For Captive Digital Mobile Radio Trunking System, the channel assignment exceeding 5 channels(frequency pairs) will depend on the availability, justification and actual usage of the same. Further additional channels will be considered subject to availability of frequency spectrum in the designated frequency bands in the particular service area after taking into account growth of service. This will include the control channel also.

16.6.4 The mobile trunked radio channels must have a minimum numbers of mobiles on a per channel basis with 90 mobiles being considered as acceptable usage for analogue system. The loading per channel for digital system will be much higher in comparison to analogue system. The minimum number of mobiles on a per channel basis for digital system will be decided in consultation with TEC.

16.6.5 Additional channels can be considered for allotment only if use per channel has reached 90% in terms of erlang traffic and continues to remain so for atleast a period of three months prior to the date of application. If at the end of initial six months of the validity of license loading is less than 70% in terms of erlang traffic, the Licensor may withdraw the radio channel assignment without any notice to the licensee.

16.6.6 The license for co-channel systems will be given on case by case clearance upon the terrain antenna height and necessary coordination as per established procedure.

17. Engineering Details:

17.1 The Licensee shall furnish to the Licensor or its authorised representative(s), in such manner and at such times as may be required, complete technical details with all calculations for engineering, planning and dimensioning of the system/network, concerned relevant literature, drawings, installation materials regarding the applicable system.

17.2 Licensee shall supply all tools, test instruments and other accessories to the testing party of Licensor and /or TEC for conducting tests, if it so desires, prior to commissioning of the service or at any time during the currency of the License.

18.0 In the interest of security, suitable monitoring equipment as may be prescribed by the Licensor for each type of System used will be provided by the Licensee at his own cost for monitoring, as and when required .

PART-V OPERATING CONDITIONS:

19.0 The User Terminals (Mobile Telephone or Handset):

19.1 The user/ mobile terminals employed in the network shall be of a type/model certified by an internationally accredited agency with respect to ITU/ETSI/TEC standards or any other international standard as may be approved by the Government. They should carry a marking specifying their compliance with such standards.

20 Obligations imposed on the Licensee:

20.1 The provisions of the Indian Telegraph Act 1885, the Indian Wireless Telegraphy Act 1933, and the Telecom Regulatory Authority of India Act, 1997 as modified from time to time or any other statute on their replacement shall govern this LICENSE.

20.2 The LICENSEE shall furnish all necessary means and facilities as required for the application of provisions of Section 5(2) of the Indian Telegraph Act, 1885, whenever occasion so demands. Nothing provided and contained anywhere in this License Agreement shall be deemed to affect adversely anything provided or laid under the provisions of the Indian Telegraph Act, 1885 or any other law in force.

Part-VI SPECIAL CONDITIONS:

21. Right to inspect.

21.1 The LICENSOR or its authorised representative shall have right to inspect the sites used for extending the Service and in particular but not limited to, have the right to have access to leased lines, junctions, terminating interfaces, hardware/software, memories of semiconductor, magnetic and optical varieties, wired or wireless options, distribution frames, and conduct the performance test including to enter into dialogue with the system through Input/output devices or terminals. The LICENSEE will provide the necessary facilities for continuous monitoring of the system, as required by the LICENSOR or its authorised representative(s). The Inspection will ordinarily be carried out after reasonable notice except in circumstances where giving such a notice will defeat the very purpose of the inspection.

21.2 Wherever considered appropriate LICENSOR may conduct any inquiry either suo- moto or on complaint to determine whether there has been any breach in compliance of terms & conditions of the LICENSE by the LICENSEE and upon such inquiry the LICENSEE shall extend all reasonable facilities without any hinderance.

22. Location of switches :

22.1 The LICENSEE on request, shall provide to the LICENSOR location details of switching centres, transmission centres, including routing details etc.

22.2 In areas which are sensitive from security point of view, as may be notified from time to time by the LICENSOR, implementation of any installation of the equipment and execution of project shall be taken up only after the LICENSOR's approval.

23. Confidentiality of Information:

23.1 The Licensee shall not normally employ bulk encryption equipment in its network. However, if any encryption equipment is used and connected to the Licensee's network, then it should have prior evaluation and written approval of the Government.

24. Prohibition of certain Activities by the Licensee:

24.1 The LICENSEE shall not engage on the strength of this LICENSE in the provision of any other Service other than the SERVICE as defined in this License Agreement.

24.2 To remove any doubt, it is, hereby, clarified that nothing contained in condition in Para above shall preclude the LICENSEE from engaging in advertising and promotional activities relating to any of the Applicable Systems.

24.3 The LICENSEE shall take measures to prevent an objectionable, obscene, unauthorized or any other content or harmful and unlawful messages or communications infringing upon copyright, intellectual property etc., in any form, from being carried on his network, inconsistent with the legal frame-work of the country. Once specific instances of such infringement are reported to the LICENSEE by the authority, the Licensee shall ensure without fail that the carriage of such material on his network is prevented immediately.

24.4 The LICENSEE is obliged to provide, without any delay, the tracing facility to trace origin or content of nuisance, obnoxious or malicious calls, messages or communications transported through his equipment and network. Any damages arising out of default on the part of LICENSEE in this regard shall be sole liability of the LICENSEE.

25. Security Conditions:

25.1 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. The LICENSEE shall make available on demand to the authority authorized by the LICENSOR, full access to the switching / transmission centers, routes etc. for technical scrutiny and for inspection, which can be visual inspection or an operational inspection.

25.2 All foreign personnel likely to be deployed by the LICENSEE for installation, operation and maintenance of the LICENSEE's network shall be security cleared by the Government of India prior to their deployment. The security clearance will be obtained from the Ministry of Home Affairs, Government of India.

25.3 LICENSOR reserves the right to modify these conditions or incorporate new conditions considered necessary in the interest of national security and public interest and for proper conduct of telegraphs.

25.4 LICENSEE shall ensure that the Telecommunication 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.

25.5 In the interest 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 the Licensor.

25.6 The precise delineation of geographical borders taken by the LICENSEE for the purpose of defining service area in India shall have prior approval of the Government of India. The terrestrial boundaries of India shall be as depicted in the maps issued by Survey of India.

25.7 The LICENSEE shall ensure that the Radio Transmitters used while deploying wireless system(s) are located and established at a distance of 10 KMs from the international border of India, and such radio transmitters will work in such a fashion that any signal or signals, emanating therefrom, fade out when nearing or about to cross international border and also become unusable within a reasonable distance across such border.

25.8 The Government through appropriate notification may debar usage of mobile terminals in certain areas in the country. The LICENSEE shall deny service to areas specified by designated authority immediately and in any case within six hours on request. The Government or its authorised representative may carry out the accuracy of the areas so debarred. The LICENSEE shall also provide the facility to carry out surveillance of Mobile terminal activity within a specified area.

25.9 The LICENSEE shall not employ bulk encryption equipment in its network. Any encryption equipment connected to the LICENSEE's network for specific requirements has to have prior evaluation and approval of the LICENSOR or officer specially designated for the purpose. The LICENSEE shall be responsible for ensuring privacy of communication on its network and also to ensure that unauthorised interception of message does not take place.

25.10 LICENSOR shall have the right to take over the SERVICE, equipment and networks of the LICENSEE (either in part or in whole of the service area) in case any directions are issued in the public interest by the Government in the event of a national emergency / war or low intensity conflict or any other eventuality. Any specific orders or directions from the Government issued under such conditions shall be applicable to the LICENSEE and shall be strictly complied with.

26. Application of Indian Telegraph Act:

26.1 The LICENSEE shall adopt all means and facilitate in every manner the application of the Indian Telegraph Act, 1885 and Indian Wireless Telegraphy Act, 1933 as modified or replaced from time to time. The Service shall be provided in accordance with the provisions of Indian Telegraph Rules as modified and amended from time to time.

26.2 As per the provision of Section 5 of Indian Telegraph Act, the licensee will provide necessary facilities to the designated authorities of Central/State Government as conveyed by the Licensor from time to time for interception of the messages passing through its network. Sub-section (2) of this Section reads as under :

“On the occurrence of any public emergency or in the interest of public safety, the Central Government or a State Government or any officer specially authorised in their behalf by the Central Government or a State Government may, if satisfied that it is necessary or expedient to do so in the interest of the sovereignty and integrity of India, the security of the State, friendly relations with foreign states or public order or for preventing incitement to the commission of an offense for class or messages to or from any person or class of persons or relating to any particular subject, brought for transmission by or transmitted or received by any telegraph, shall not be transmitted or shall be intercepted or detained or shall be disclosed to the Government making the order or an officer thereof mentioned on the order:

Provided that press messages intended to be published in India of correspondents accredited to the Central Government or a State Government shall not be intercepted or detained, unless their transmission has been prohibited under this subsection.”

PART-VII WPC WING'S LICENSE:

27. WPC WING'S LICENSE:

27.1 A separate specific authorisation shall be required from the WPC wing of the Department of Telecommunications, Ministry of Communications & IT , which will permit utilization of appropriate frequencies / band for the establishment and possession and operation of Wireless element of the Telecom Service under specified terms and conditions including payment for said authorisation. Such grant of authorisation will be governed by normal rules, procedures and guidelines and will be subject to completion of necessary the prescribed formalities.

27.2 For this purpose, a separate application shall be made to the “Wireless Advisor to the Government of India, WPC Wing, Department of Telecommunications, Ministry of Communications & IT, Sanchar Bhavan, 20, Ashoka Road, New Delhi-110 001” in a prescribed application form available from WPC Wing.

27.3 Site clearance in respect of fixed stations and its antenna mast shall be obtained from the WPC Wing for which the applicant shall separately apply to the Secretary, Standing Advisory Committee on Frequency Allocations (SACFA) WPC Wing in a prescribed application form, to the following address:

The Secretary (SACFA), WPC Wing,
Department of Telecommunications,
Ministry of Communications & IT,
Sanchar Bhavan, 20, Ashoka Road,
New Delhi-110 001.

EXPLANATION: SACFA is the apex body in the Ministry of Communications & IT for considering matters regarding coordination for frequency allocations and other related issues / matters. (Siting clearance refers to the agreement of major wireless users for location of proposed fixed antenna from the point of view of compatibility with other radio systems and aviation hazard. It requires inter departmental coordination and is an involved process). Normally the siting clearance procedure may take two to six months depending on the nature of the installations and the height of the antenna /masts.

27.4 For establishing various point to point radio links the frequency bands earmarked for various agencies has been indicated in the National Frequency Allocation Plan (hereinafter called NFAP –2002).

Mere indication of the band does not guarantee availability of the frequency spectrum which has to be coordinated on case to case basis.

27.5 The LICENSEE shall not cause or allow to cause harmful interference to other authorized users of radio spectrum. For elimination of harmful interference, LICENSEE shall abide by all instructions and orders issued by the Government.

Interpretation of Terms/ Definitions:

1. APPLICABLE SYSTEMS: The "applicable system" means all the necessary equipment/ sub-systems engineered to provide Mobile Radio Trunk Service using analogue/digital technology in accordance with operational/technical and quality requirements and other terms and conditions of the license agreement.
2. BSNL means Bharat Sanchar Nigam Limited as a Telecom Service Provider and/ or its successors.
3. CONNECTABLE SYSTEM means a telecommunication system which is authorised to be run under a License to provide public telecommunications service and is authorised to be connected to the Applicable system.
4. DOT means Department of Telecommunications, Government of India.
5. EFFECTIVE DATE: The effective date is the date on which this License Agreement is signed by the parties. This license comes into effect from the effective date of the license.
6. EMERGENCY SERVICES in respect of any locality means the relevant public, police, fire, ambulance and coast guard services for that locality.
7. ENGINEERING: The technical application of the dimensioning rules and results thereof in order to provide network resources to meet specified Grade of Service (GOS).
8. LICENSE: License means a license granted or having effect as if granted under section 4 of the Indian Telegraph Act 1885 and Indian Wireless Act 1933.
9. LICENSEE: A registered Indian Company/Govt. Agencies that has been awarded license to provide the MOBILE RADIO TRUNKING SERVICE service, within the geographical boundaries of the specified service area.

10. "LICENSOR" shall refer to the President of India acting through any authorised person, who granted License under Section 4 of Indian Telegraph Act 1885 and Indian Wireless Telegraph Act 1933, unless otherwise specified.
11. "MESSAGE" means anything falling within sub Clause/paragraph (3) of section 3 of the Indian Telegraph Act 1885.
12. "MOBILE STATION" means a station in the mobile service intended to be used while in motion or during halts at unspecified points. Mobile station or mobile handsets / terminals or user terminals where ever used in the license agreement are interchangeable.
13. MTNL means Mahanagar Telephone Nigam Limited.
14. OPERATOR means any person who is Licensed to run a relevant connectable system.
15. "Captive Mobile Radio Trunking License" means the license for those networks in which equipment and facilities are owned and operated by licensee itself for own use and does not include third party ownership and provision of services by, or for third party.
16. Public Switched Telephone Network (PSTN) means a fixed specified switched public telephone network. A two-way switched telecommunications service to the general public.
17. Public Land Mobile Network (PLMN) means land based mobile network e.g. Cellular Mobile Telephone Service being operated within the country under license from Licensor on non-exclusive basis.
18. SERVICE AREA: Service area is as defined in schedule-I appended to this agreement.
19. SERVICES OR SERVICE means Mobile Radio Trunk Service which is defined as
 - a. a two way land mobile service in which users communicate among themselves through a pair of radio frequencies out of a pool in a designated frequency band , assigned to the system using and
 - b. the pair of frequencies is allocated on placement of call request and returned to the pool on completion of call and

- c. the communication usually takes place through repeater station (also called base station).
Once user is assigned a channel (a pair of frequencies) by the system, no one else can interfere with the communication.

- 20. TELEPHONE means an item of telecommunication apparatus capable when connected to the Applicable System, of transmitting and receiving uninterrupted simultaneous two way speech conveyed, or to be conveyed, as the case may be, by means of that System.

- 21. TRAI means Telecom Regulatory Authority of India constituted under the Telecom Regulatory Authority of India Act, 1997 as amended from time to time.

- 22. User Terminal (UT) or Mobile Terminal (MT), also known as Hand Set or Mobile Station: means the equipment used by the subscribers to avail the Captive Mobile Radio Trunk Service provided by the licensee.

- 23. VSNL means "Videsh Sanchar Nigam Ltd."

- 24. WPC means Wireless Planning and Co-ordination Wing of the Ministry of Communications, Department of Telecommunications, Government of India.

PROFORMA FOR FINANCIAL BANK GUARANTEE

To

The President of India

Acting through the Telegraph Authority

In consideration of the President of India acting through the Telegraph Authority (hereinafter called 'the Authority') having agreed to grant a License to M/s _____ of _____ (hereinafter called 'the LICENSEE') to establish, maintain and operate Captive Mobile Radio Trunking Service (CMRTS) (hereinafter called 'the SERVICE') in accordance with the License No. _____ dated _____ (hereinafter called 'the License') on the terms and conditions contained in the said License, which inter-alia provides for production of a Bank Guarantee to the extent of Rs. _____ (in words _____ only) under the said License by way of security for payment of the said License fee as well as such other fees/dues or charges required to be paid by the LICENSEE under the License, we _____ (indicate the name and address and other particulars of the Bank) (hereinafter referred to as 'the Bank') at the request of the LICENSEE hereby irrevocably and unconditionally guarantee to the Authority that the LICENSEE shall pay all the dues, including but not limited to, the License fee and other charges to the Authority.

2. We, the Bank, hereby undertake to pay the Authority an amount not exceeding Rs. (Rupees. only) against any loss or damage caused to or suffered or would be caused to or suffered by the Authority by reason of any failure of the LICENSEE to extend the validity of the guarantee or give a fresh guarantee in lieu of existing one in terms of the License Agreement, or to pay all the above mentioned fees, dues and charges or any part thereof within the periods stipulated in the License.
3. We, the Bank, hereby further undertake as primary obligor and not merely as surety to pay such sum not exceeding Rs. _____ (Rupees _____ Only) to the Authority immediately on demand and without demur stating that the amount claimed is due by way of failure of the LICENSEE to pay any fees or charges or any part thereof in terms of the said License, and/or by way of breach in any of the terms and conditions of the license by the licensee, without prejudice to the Licensor's (the Authority) rights to any other remedy.
4. WE, THE BANK, DO HEREBY DECLARE AND AGREE that the decision of the Authority as to whether LICENSEE has failed to pay the said License fees or any other fees or charge or any part thereof payable under the said License and as to the amount payable to the Authority by the Bank hereunder shall be final and binding on us.
5. WE, THE BANK, DO HEREBY DECLARE AND AGREE that the

- (a) Guarantee herein contained shall remain in full force and effect for a period of ----- from the date hereof and that it shall continue to be enforceable till all the dues of the Authority and by virtue of the said License have been fully paid and its claims satisfied or discharged or till Authority satisfies that the terms and conditions of the said License have been fully and properly carried out by the said LICENSEE and accordingly discharged this guarantee.
- (b) The Authority shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said License or to extend time of performance of any obligations by the said LICENSEE from time to time or to postpone for any time or from time to time any of the powers exercisable by the Authority against the said LICENSEE and to forbear or to enforce any of the terms and conditions relating to the said License and we shall not be relieved from our liability by reason of any variation or extension being granted to the said LICENSEE or forbearance act or omission on the part of the Authority or any indulgence by the Authority to the said LICENSEE or to give such matter or thing whatsoever which under the law relating to sureties would but for this provision, have effect of so relieving us.
- (c) Any claim which we have against the LICENSEE shall be subject and subordinate to the prior payment and performance in full of all the obligations of us hereunder and we will not without prior written consent of the Authority exercise any legal right or remedy of any kind in respect of any such payment or performance so long as the obligations of us hereunder remains owing and outstanding.
- (d) This Guarantee shall be irrevocable and the obligations of us herein shall not be conditional of any prior notice by us or by the LICENSEE.

6. We, the BANK, undertake not to revoke this Guarantee during its currency except with the previous consent of the Authority in writing.

7. Notwithstanding anything contained above, our liability, under the Guarantee shall be restricted to Rs..... and our Guarantee shall remain in force until...year from the date hereof. Unless a demand or claim under this Guarantee is made on us in writing within

this date i.e. all your rights under the Guarantee shall be forfeited and we shall be released and discharged from all liabilities thereunder.

Dated _____ day _____ for _____
(Name of the Bank)

Witness: 1..... 2.....
.....

GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOM
(CS CELL)
SANCHAR BHAVAN, 20 ASHOKA ROAD, NEW DELHI-110 001

**APPLICATION FOR GRANT OF LICENCE FOR OPERATION OF CAPTIVE MOBILE
RADIO TRUNKING SERVICE (CMRTS) IN ANNALOGUE /DIGITAL TECHNOLOGY.**

(Please read the guidelines and draft licence agreement carefully before filling up of this Form. The Application form should contain complete information on each and every point. Additional sheets may be added, if required. Incomplete application with conditional statements shall be summarily rejected).

1. Name of Applicant Company: _____

2. Service Area
(Separate application is to be
Submitted for each service area)_____

3. Name of other service area(s)_____ submitted separately.
for which application has been

_____ (Attach separate sheet, if required)

4. Complete postal address with Telephone/FAX Nos.

i). Corporate office: _____

ii). Registered office: _____

5. Name & designation of Authorised contact person with telephone/FAX Nos.

6. Certified copy of Certificate of Registration duly certified by the Registrar of Companies (Details enclose as **Annexure-I**)

7. Promoters/Partners in the Company:
(Details of equity holding)

<u>S.No.</u>	<u>Name of Promoter/Partner</u>	<u>Indian/ Foreign</u>	<u>Equity</u>	<u>(%age)</u>
--------------	---------------------------------	------------------------	---------------	---------------

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(Total foreign Equity participation(s), if any, with Complete break up of 100% of equity must be given.)

8. Details of Technical proposal for the purpose of providing the proposed service. (Details enclose as **Annexure-II**).

9. Certified copies of Agreement between the company and its promoters, between the promoters (including foreign partner, if any). (Details enclose as **Annexure-III**)

10. Certified copy of approval of Government of India for terms of Foreign Collaboration or copy of application submitted to SIA/Government in this regard with proof of submission. (Details enclose as **Annexure- IV**)

11. Income Tax Clearance Certificate valid on the date of submission of application (Details enclose as **Annexure V**)

12. List of Telecom Service License(s) held by the company and its promoter/partner or associate/sister concerns, if any, and their present status including the no dues certificates against these licenses. (Attach separate sheet, if required).

(i) _____

(ii) _____

13. Resolution of Board of Director/other proof that the person signing the application is authorised signatory. (Details enclose as **Annexure-VI**).

14. Demand Draft towards payment of Processing Fee:

(i) No. & Date _____

(ii) Amount Rs. Twenty thousand only

(iii) Name of the Bank with full _____

(Enclose Demand Draft in a separate covers and attach to the application).

15. Performance Bank Guarantee _____

(i) No. & Date _____

(ii) Amount _____

(iii) Valid upto (date) _____

(iv) Name of the Bank with full _____

address and Telephone/FAX Nos. _____

(Enclose in a separate covers and attach to the application)

Certificates:-

1. I hereby certify that I have carefully read the guidelines and draft Licence Agreement on Captive Mobile Radio Trunk Services (CMRTS), I fully comply with the terms and conditions therein

2. I understand that this application if found incomplete in any respect and/ or if found with conditional compliance or not accompanied with the processing fee and/or requisite bank guarantee shall be summarily rejected.

3. I understand that processing fee is non-refundable irrespective of whether or not the licence is granted to me.

4. I undertake to sign the License Agreement, a draft of which has been supplied to me, within the prescribed time notified to me, failing which my application shall be rejected and processing fee forfeited.

5. I understand that all matters relating to the application and licence to me will be subject to jurisdiction of Telecom Dispute Settlement and Appellate Tribunal (TDSAT).

6. I understand that such companies, who have failed to carry out the contractual obligations with regard to other Telecom Service licences granted under Indian Telegraph Act, 1885, shall not be granted Captive Mobile Radio Trunking Services (CMRTS) licence and their associate or sister concerns will also not be eligible.

7. I certify that none of the companies mentioned in Item 12 of the application form are in default of the conditions of licence granted under section 4 of Indian Telegraph Act, 1885.

8. I understand that if at any time any averments made or information furnished for obtaining the licence is found incorrect, my application shall be liable to be rejected and any licence granted on the basis of this application shall be liable for termination.

Date
Place

Signature and name of the
Authorised Signatory
(Company's Seal)
On Behalf of M/s-----
By Shri
Holder of GPA Dated...

Executed in accordance
with Resolution No.
.....Dated.....
Passed by Board of Director