

No.20-201/2007-AS-I (VOL -II)
Government of India
Ministry of Communications and IT
Department of Telecommunications
713, Sanchar Bhawan, 20, Ashoka Road, New Delhi-110001.

25 February, 2009

To,

M/s. GTL Limited,

6th Floor, DLF Squire Building,
DLF City Phase-II, NH-8,
Gurgaon-122002
(Fax:0124-2566015)

**Subject : Tender No. 20-201/2008-AS-I for award of MNP Service License(s)
– Regarding.**

This has a reference to your letter dated 23rd February 2009 regarding the above subject.

2. The issues raised by you in the aforesaid letter have been examined and the undersigned is directed to state that:

(i) TRAI in its recommendation on Mobile Number Portability dated 8th March 2006 has discussed the possible technical solutions for implementing Mobile Number Portability in India. Among the methods discussed were also “Query on Release (QoR)” and “All Call Query (ACQ)” methods. The pros and cons of all the technical solutions have been discussed in the recommendations. After deliberations and wide consultations, and study of prevailing scenario world over, TRAI recommended that a direct solution i.e. “All Call Query (ACQ)” method be implemented for Mobile Number Portability in India which was accepted by DOT.

(ii) In the Guidelines for Mobile Number Portability service announced by DOT on 1st August 2008, it is mentioned that “Direct Solution i.e. All Call Query (ACQ) method be implemented for mobile number portability in India”.

In the tender document also, in the Scope of License (condition 34.1), it is mentioned that “The licensee shall be permitted to provide, Mobile Number Portability (MNP) services in the licensed MNP zone, confirming to centralized “All Call Query (ACQ)” method that meets the relevant International Telecommunication Union (ITU)/Telecommunication Engineering Center (TEC) of DoT’s Technical and Performance standards as applicable”.

Again in the Technical Conditions (Condition 58.1) of the tender, it is mentioned that “For mobile number portability in India, Direct Solution i.e. All Call Query method shall be implemented.”

Condition 11 of the Tender on “**Method of Selection**” stipulates that “ For award of MNP services license in both the zones, 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. The pre-qualified bidder(s) shall

make their presentation to the designated Committee in DoT. Then, the pre-qualified applicant(s)/ bidder(s) shall be subjected to a 'Techno-Economic Evaluation' of bids for final selection."

Thus capability of the Bidder to provide MNP Service using ACQ method in India is most important and critical technical parameter.

(iii) As the conditions of your above mentioned tender do not provide for any financial bidding, it is evident that the objective of the tender is to select a capable operator, who shall be able to successfully implement MNP service in India and operate it as per requirements stipulated in the tender document i.e. provide MNP Service using ACQ method and the claim of the Bidder in this regard is to be borne out from the track record. The capability of the bidder company was also to be judged by financial strength and experience etc. after technical capability to implement the service using ACQ through their track record in that matter. Therefore, it is important that the bidder should have strong track record of having implemented MNP service using "All Call Query" method and just a mention by the bidder that they will comply with the requirement is not sufficient.

(iv) While examining the bid submitted by M/s GTL Ltd., it is found that their foreign partner i.e. KTOA (Korea Telecom Operators Association), who holds 26% equity stake, have implemented Mobile Number Portability in Korea only using "Query on Release (QoR)" method. You have also stated in the bid document that "In 2010, when the ratio between the entire subscribers and the number porting subscriber (QRDB) is expected to be greater than 50%, KTOA plans to perform an in-depth review of the transfer to the ACQ method with the telecom carriers." In the bid, GTL Ltd. has recommended "Query on Release" method during the initial introduction of Number Portability service in India and in the future according to traffic increase due to rate of increase in Number Porting subscribers, you desire to promote the transfer to ACQ method. In the technical solution section, GTL Ltd. has made certain assumptions that the proposed ACQ call flow system - as defined in Tender Document - is expected to be supported with an equally efficient network element/ system at the operator end. The proposed plan thus assumes an "in time" readiness of network element (especially CGS etc.) at operator's premises..." [Please refer GTL Bid Document page 209 Part I(B)].

(vi) In case of your bid it is found that your foreign partner KTOA has been operating MNP service in only one country viz. Korea and that too using QOR method which is not the required solution for India. The technical experience of the KTOA and the track record is therefore not relevant and sufficient for making the bidder M/s GTL Limited, eligible/capable for short listing as pre-qualified bidder.

2. It may please be noted that the decision of DOT in this regard is final and no further correspondence on the above matter shall be entertained.


23/02/09
(Madan Chaurasia)
Section Officer(AS-I)
Tel: 011-23036382

✓ Copy to : Director (IT) - along with a copy of letter dated 23.02.09 from M/s. GTL Ltd. with request to upload on DoT's website.



Fax to – 011 – 23372500 / 23372201

February 23, 2009

To The Director
AS-I Division,
Room No. 1203, Sanchar Bhavan,
Ashok Road, New Delhi – 110117-India.

Subject : MNP Tender No.20-201/2008-AS-I

Ref : Your office letter dated 20th Feb 2009

Dear Sir,

This has reference to the fax communication dated 20th February BUT faxed to GTL from your Office today and received by GTL today – ie 23rd February 2009 at around 13:45 hrs, mentioning GTL's MNP Bid being rejected due to failure to meet the Technical Condition (s) of the tender document.

The communication was quite surprising as we at GTL Limited along-with its foreign partners are quite confident on qualifying all the Technical conditions of the tender document.

We, therefore, would like to request DOT –

- A) to send us URGENTLY the reasons for rejection in detail and in unambiguous terms.
- B) kindly also let us know competitors position on those technical condition(s) against which GTL has been rejected
- C) to clarify regarding the technical evaluation and qualification process. As per our understanding, the technical evaluation of the bidders and award of license was to be on the basis of Techno Economic Evaluation conditions as specified in Annexure IX which was to be covered in Part 2, as and when opened. The Part 2 is yet to be opened and was to be preceded by a Pre Qualification process (and Not a complete Technical Evaluation). GTL is of the opinion that Technical suitability is best evaluated on the basis of all the information to be provided in Part 1 + Part 2 together. In this regard, GTL's rejection on technical conditions, even before the Part 2 is opened, is all the more shocking to know.

We request serious consideration and a positive response on this communication from your esteemed office with the fact that the MNP Solution offered by GTL is:

- o Lead by GTL Limited (Lead Bidder) – AN INDIAN COMPANY
- o Partnered by KTOA – an existing MNP Operator with Proven Track Records since 2004
- o Qualified against all the technical requirements



- o Having a proven track record managing huge chunk of subscriber volume.
- o Best suited for Indian Telecom Market
- o Supported with a strong business case

Furthermore, we would also like to bring to your attentive notice certain disturbing facts with respect to the fax communication received from your office today

- Late/Delayed Dispatch : This Letter dated 20th Feb, 2009 is being faxed to GTL on 23rd Feb 2009 at 13:45 hrs.
- Loss of opportunity to represent : Fax Communication is delayed and sent at the time when the competitor's presentations are scheduled to be held on the same day. This has not given reasonable time to GTL for representing its case.

GTL Limited request your office to kindly clarify on our above concern as well in addition to the clarifications sought earlier in this letter. This letter is being submitted to your office without any prejudice to the tender process.

Awaiting your earliest reply as it is very urgent to us. We also request you to hold in abeyance the current process till due cognizance is given to all the points raised by us in this letter.

We also would like to seek an opportunity to present our case to you in person.

Thanking You,

Yours Sincerely,

For GTL Limited

A handwritten signature in black ink, appearing to read 'Deven Buch', written over a horizontal line.

Deven Buch
Authorized Signatory

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GTL LIMITED

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