



**BANGLADESH TELECOMMUNICATION  
REGULATORY COMMISSION**

House no. 10, Road no. 135, Gulshan-1, Dhaka-1212, Bangladesh

BTRC/LL/Central Zone/PSTN (227)/2006 -1916

Date: 23/03/2006

**REGULATORY AND LICENCING GUIDELINES  
FOR INVITATION OF PROPOSALS/OFFERS**

FOR

ISSUING ZONAL LICENCE

TO

PRIVATE OPERATOR

FOR

ESTABLISHING, OPERATING AND MAINTAINING

**PSTN SERVICES**

IN

**CENTRAL ZONE, BANGLADESH**

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**Bangladesh Telecommunication Regulatory Commission**  
**House No. 10, Road No.135, Gulshan-1, Dhaka-1212**

**Invitation of offers/proposals for grant of Zonal Licence for PSTN services in the Central Zone**

1. The Bangladesh Telecommunication Regulatory Commission (BTRC) invites offers/proposals from Bangladeshi companies/firms or joint venture companies with Bangladeshi partners, or overseas companies with 100% Foreign Investment having experience in the telecommunication sector for grant of Zonal PSTN Operator Licence to establish, maintain and operate such systems for the general use of the public in the Central Zone i.e, the Dhaka Multi-Exchange Area (DMEA) consisting of Dhaka city, Zinzira, Savar, Narayanganj district head quarter, Gazipur district head quarter and Tongi. Only companies/firms having adequate experience and technical efficiency and financial solvency to serve in the field should apply with an updated list of their business record and record of experience.
2. In case of Bangladeshi companies/firms (with or without partners), the offer/proposal for PSTN services in the Central Zone should be submitted by those companies/firms which are registered with the Registrar of Joint Stock Companies and Firms, as well as with the concerned Chamber of Commerce and Industries and hold a certificate of Income Tax for the year 2004-2005. Copies of the certification of registration and income tax paid for the year 2004-2005 should be submitted with the proposal/offer.
3. In case of foreign companies (with or without partners), the offer/proposal for PSTN services in the Central Zone should be submitted by those companies which are registered with the Registrar of Joint Stock Companies and Firms or equivalent as well as with the concerned Chamber of Commerce and Industries or equivalent, in those countries. Copies of the certification of registration as well as a certificate from the Board of Investment (BOI) Bangladesh regarding the investment to be made should be submitted with the proposal/offer.
4. General terms and conditions for applying which are included in the Regulatory and Licencing Guidelines for invitation of proposals/offers for issuing Zonal Licence to private operator for establishing, operating and maintaining PSTN Services in Central Zone, can be obtained from the Bangladesh Telecommunication Regulatory Commission (BTRC), House no. 10, Road no. 135, Gulshan-1, Dhaka-1212 during working days and hours on payment of Tk. 5000/- (Taka five thousand only-being non-refundable) for each copy, in the form of bank draft/pay order in favour of the Bangladesh Telecommunication Regulatory Commission. Copy of the receipt regarding the bank draft/pay order given by BTRC should be enclosed with the offer/proposal, by the applicant/offeree.
5. All offers/proposals are to be dropped in the tender box of the BTRC, House no. 10, Road no.135, Gulshan-1, Dhaka-1212 addressing the Chairman, Bangladesh Telecommunication Regulatory Commission by 11.30 hrs on Monday, the 8<sup>th</sup> May, 2006. The sealed offers/proposals will be opened by the representative of BTRC at 12.30 hrs in the office of the BTRC on the same day i.e on Monday the 8<sup>th</sup> May, 2006 in the presence of the participants/proposers, if present. Offers/proposals received after the deadline for submission will be rejected and returned unopened to the offerers/proposers.
6. The Commission shall follow the Licencing procedure for issue of Zonal PSTN Licences for the Central Zone as given in the Regulatory and Licencing Guidelines. In this regard, the Commission will now issue 4 (four) Zonal Licences for operating PSTN services in the Central Zone i.e, the Dhaka Multi-Exchange Area (DMEA) consisting of Dhaka city, Zinzira, Savar, Narayanganj district head quarter, Gazipur district head quarter and Tongi.
7. "Regulatory and Licencing Guidelines" containing among other things, the Guidelines for invitation of offers/proposals for issue of Zonal Licences for PSTN service for the Central Zone are also available in the BTRC website: [www.btrc.org.bd](http://www.btrc.org.bd) for information only.
8. There will be a pre-offer/pre-bid meeting on 10<sup>th</sup> April, 2006 at 11.30 hrs in the BTRC conference room wherein the prospective applicant/offeree may seek any clarification or explanation on the matter.
9. Any offer/proposal submitted which does not comply with any of the above terms and conditions will not be accepted.
10. The BTRC is not bound to accept any offer and reserves the right to accept or reject any or all offers/proposals, without assigning any reason thereof.
11. Any applicant/offeree may communicate for further clarification on the subject in writing with the Director, Legal and Licencing Division, Bangladesh Telecommunication Regulatory Commission, during office hours on working days till 27<sup>th</sup> April, 2006.

Director  
Legal and Licencing Division, BTRC

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# BANGLADESH TELECOMMUNICATION REGULATORY COMMISSION

House No. 10, Road No. 135, Gulshan-1, Dhaka-1212.

## REGULATORY AND LICENCING GUIDELINES FOR THE OPERATOR OF PUBLIC SWITCHED TELEPHONE NETWORK

### 1. Introduction

These Regulatory and Licencing Guidelines for Public Switched Telephone Network ("PSTN") service are issued by the Bangladesh Telecommunication Regulatory Commission (BTRC), pursuant to its powers under Section-36 of the Bangladesh Telecommunication Act 2001 and apply to all parties applying for and holding a PSTN Licence of central zone.

These Guidelines, along with the terms and conditions of the Licence, should be read in conjunction with the Act, any subsequent legislation, other prevalent laws or sector policies framed by the Government, rules, regulations, decrees, orders, decisions, guidelines, directives and other documents of general application issued by the Government or the Commission from time to time. The Act specifically provides, under Section 35 and 55, that the establishment, operation or use of telecommunication system including radio apparatus and provision of telecommunication service in Bangladesh without a licence is an offence, punishable with imprisonment and a fine.

These Guidelines, may be withdrawn, revised, updated or amended from time to time to take into consideration various factors including, but not limited to, imminent threat to public health, national security and statutory or court orders. The Commission reserves the right to vary, change or amend these Guidelines from time to time without any prior notice.

### 2. Interpretations

In these Guidelines, unless there is anything repugnant in the subject or the context,

- (a) *Act* means the Bangladesh Telecommunication Act 2001;
- (b) *Application Form* means a form prescribed for use while applying for the licence for the operation of PSTN service;
- (c) *Commission* means the Bangladesh Telecommunication Regulatory Commission;
- (d) *FDC* means Fully Distributed Costs, the approach for allocating telecommunications costs to different telecommunication services, which is usually based on an allocation of historical accounting of costs to various broad service categories and after assigning direct costs to each category, the Joint and Direct costs are allocated to applicable service categories based on formulas that reflect relative usage or other factors;
- (e) *Government* means the Government of the Peoples' Republic of Bangladesh;

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- (f) *ICT* means Information and Communication Technology;
- (g) *ILD* means International Long Distance;
- (h) *Interconnection* means the visible or invisible or logical linking of more than one telecommunication network in order to enable the users of one network to communicate among themselves or to communicate with the users of another network or to avail themselves of the service of the other network;
- (i) *ITU* means International Telecommunication Union;
- (j) *Licence* means a permission issued by the Commission under the Act for establishing or operating a PSTN service or operating and maintaining such system or service;
- (k) *LRIC* means Long Run Incremental Cost that arises in the long run with a specific increment in volume of production and is generally calculated by estimating costs using current technology and best available performance standards.
- (l) *Network* means a combination of a set of nodes and links that establish telephone connection between two or more points;
- (m) *Number Portability* means the ability for subscribers to retain their current telephone numbers when they change operators or geographical locations, irrespective of the identity of the person providing such a service, provided that such retention of a telephone number is in accordance with the National Numbering Plan;
- (n) *NLD* means National Long Distance;
- (o) *Operator* means an entity Licenced for establishing or operating a PSTN system or providing telecommunication service;
- (p) *PBG* means Performance Bank Guarantee;
- (q) *POI* means the physical location or the point of interconnection at which two networks interconnect;
- (r) *PSTN* means Public Switched Telephone Network having fixed, dedicated and point-to-point subscribers connection;
- (s) *QoS* means the quality of service observable through the measures on the grade of service, calls lost due to wrong processing, bit-error rate, response time, acceptable number of faults per subscriber, mean time to restore faults beyond prescribed limit and satisfactory disposal thereof;
- (t) *Regulation* means regulations made by the Commission from time to time under the Act;
- (u) *Service* means transmission or reception, with the help of PSTN system, of any messages including value added services like facsimile, voice mail, internet access etc between two points;
- (v) *System* means the PSTN telecommunication systems for which the Licencee/operator is granted a licence to establish, operate and maintain such system.
- (w) *SS7* means Signalling System Number 7 which is an ITU-T common channel signalling protocol providing enhanced control functions such as look-ahead routing for high-speed digital communications services between intelligent network nodes;
- (x) *Telecommunication* means transmission and reception of any speech, sound, sign, signal, writing, visual image or any other intellectual expression by way of using electricity or electro-magnetic or electro-chemical or electro-mechanical energy through cable, pipe, radio, optical fibre or other electro-magnetic or electro-chemical or electro-mechanical or satellite communication systems;

- (y) *TELRIC* means Total Element Long Run Incremental Cost i.e. the incremental cost resulting from adding or subtracting a specific network element in the long run, plus an allocated portion of part of the joint and common costs;
- (z) *USF* means Universal Service Fund generated typically through collection of revenues from Licenced operators and disburse them in a fairly targeted manner to achieve specific universality objectives;
- (aa) *USO* means Universal Service Obligation that refers to the obligation imposed on an operator to meet the policy objective of connecting all including rural areas or most households to public telecommunications networks;
- (bb) Any clarification, interpretation or explanation regarding any provision of the Regulatory and Licensing Guidelines for invitation of offers/proposals for issuing licence to private operator for establishing, operating and maintaining PSTN fixed Telecommunication Services in the Central Zone, Bangladesh or any other matter related to it, will be given by the Commission, and such clarification, interpretation or explanation given by the Commission shall be final. The clarification, interpretation or explanation sought should be in writing, and the Commission's response in this regard will also be in writing;

### 3. Objectives

3.1 These Guidelines are intended to provide an overview of the Licencing and regulatory framework for applicants seeking to obtain a licence to provide and operate PSTN services in central zone. In addition to this, applicants are required to comply with the other provisions that govern the telecommunication industry like the Act, subsequent legislation, other prevalent laws, sector policies framed by the Government, rules, regulations, decrees, orders, decisions, guidelines, directives and other documents of general application to telecommunication services issued by the Government or the Commission from time to time.

3.2 These Guidelines have been prepared taking into account the objectives of the Government to encourage *inter alia* the provision of new PSTN services for central zone, enhancement of infrastructure investment, expansion and provision of PSTN services to the consumers with the help of private sector participation in the urban as well as in rural and underserved areas, increased sector efficiency through competition, maintenance of affordable telecommunication tariffs and charges, stimulation of innovation and introduction of advanced and enhanced services, increased customer participation and future ICT growth and generation of new Licencing revenues for the Government.

3.3 These Guidelines accordingly seek to encourage *inter alia* the expansion of new networks and services, the rapid network roll-out and realization of service coverage objectives, the enhancement of infrastructure investment, the meeting of USO and Quality of Service parameters, increase competition amongst operators, the creation of a level playing field, prevention of anti-competitive behaviour, and the improvement of consumer access to a wider range of telecommunications services.

3.4 These Guidelines also address the fair allocation of scarce resources like radio frequency spectrum, E164 numbers and public right-of-way that are required in the operation of

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a PSTN service. In general, the allocation of these scarce resources shall be made available in a balanced approach to address competition interests. The Commission shall address the removal of barriers to access for rights-of way, E164 numbers or spectrum, which may prevent the timely rollout of Services.

3.5 These Guidelines set out the Licencing conditions on price regulation, interconnection between networks, abuse of dominant position, the safeguards against anti-competitive practices and to provide fair-trading conditions, fair billing practices, consumer complaint mechanisms, dispute resolution, limitations of liability for service defaults and the mandatory requirement to provide services to consumers such as directory services, operator assistance and emergency services.

3.6 The framework puts emphasis on the clarity of rights and obligations in the Licencing terms. It impresses upon the necessity of ensuring the Licencing process to be as transparent as possible. The rationale is to ensure regulatory certainty on key issues such as interconnection, price regulation and competitive safeguards as it is a critical element of success in a Licencing regime for promotion of new market entry.

3.7 A PSTN licence issued under these Guidelines will authorise an operator to install, maintain and provide PSTN services and operate PSTN system and facilities for the public in general for central zone. No person or company shall be allowed to provide PSTN services without a valid licence issued by the Commission. The issuance of a licence shall be accompanied by the mention of its validity period, the requirements for its renewal and the conditions applicable thereto. In the event of issuance of a new licence or renewal of an existing licence, the Licencee shall pay the fees determined by the Commission. The services to be provided by the Licencee shall be specifically and comprehensively mentioned in the licence.

#### 4. Description of PSTN Services and Systems.

4.1 PSTN services cover the collection, transport, transmission and delivery of two-way switched voice and data message communications (*traffic*) between two fixed points from and to a designated PSTN service area within central zone and outside of Bangladesh through the network of the Bangladesh Telegraph and Telephone Board or that of any other provider of international gateway services as may be authorised by the Commission from time to time. It also includes the intercommunication with other zones and other service providers.

4.2 For the purposes of this framework document, PSTN services at a minimum comprise of the following:

- (a) Local Calls
- (b) National Long Distance Dialling. A Licencee may provide NLD services to subscribers in its Licencing area, subject to obtaining any necessary interconnections from other Licenced operators.
- (c) International Long Distance Dialling. A Licencee may provide ILD services to subscribers in its Licencing area through the international transmission facilities of the Bangladesh Telegraph and Telephone Board or other duly Licenced operators.

- (d) Line and Terminal provision.
- (e) Transit Services for Traffic Originating from other Service Providers.

4.3 In addition, there are a range of voice, data and other services that may be provided over a PSTN network on a retail or wholesale basis including a variety of value added and supplementary services. The applicant must specify these in the application form.

4.4 The broad objectives of these Guidelines are (i) to ensure reasonably priced, reliable and modern PSTN services, (ii) to encourage the orderly development of new services, (iii) to ensure acceptable quality of service and efficiency of systems, (iv) to progressively effect reliance on competition and market based environment. Furthermore, it is the vision of the Commission to maximise the expansion of telecommunications networks and services in Bangladesh. This is also consistent with the program of the Government of Bangladesh to aid the development of ICT and to increase the level of teledensity in the country.

4.5 The PSTN services or services that may be provided over or with a PSTN system may be subject to additional regulations from time to time. ILD services are subject to additional requirements as mentioned above, namely the requirement to use the international transmission facilities of the Bangladesh Telegraph and Telephone Board or other duly Licenced operators. The use of a PSTN system by another person, apart from the operator, also requires a permit from the Commission and the use of radio frequency spectrum requires a separate licence from the Commission.

4.6 The number prefix for each of its PSTN exchanges and signalling point codes where SS7 signalling will be used, shall be allocated by the Commission to the Licencee for use in connection with its Services. The operators shall follow the national numbering plan with the allocated number prefix and get allocation of signalling point codes where necessary, for each of the PSTN exchanges. The Licencee shall apply for allocation of number prefix and signalling point codes separately.

4.7 The PSTN systems to be established will cover technical and operational configuration, interconnection with other operators, support facilities, customer equipment and applicable network plans.

4.8 The details of the systems and services are provided in the Proforma in Schedule 3.1 and Schedule 3.2 respectively.

## 5 General Requirements

5.1 The following are the principal legal statutes governing the telecommunication industry in Bangladesh:

- (a) The Bangladesh Telecommunication Act, 2001
- (b) The Wireless Telegraphy Act, 1933 and The Telegraph Act, 1885, for matters that are not covered by the Bangladesh Telecommunication Act, 2001.



5.2 The licences will be issued to respondents/applicants/offers following a bidding procedure and on the basis of the eligibility and selection criteria given in these guide lines.

5.3 Licencees may be subject to additional terms and conditions where deemed necessary to be in accordance with the public interest or in accordance with the National Telecommunications Policy 1998.

5.4 PSTN licences may be issued only for the central zone. Applicants may seek PSTN operator licence for central zone.

5.5 An applicant/offeree shall be disqualified from obtaining a licence, the applicant/offeree being a company/firm/corporation/partnership/society or any other organization, if

- (a) any provision listed in sub clauses (i) to (v) below is applicable to its owner or to any of its directors or partners, or
- (b) sub-clause (vi) listed below is applicable to it.
  - (i) he is an insane person,
  - (ii) he has been sentenced by a court under any law, other than this Act, to imprisonment for a term of 2 (two) years or more, and a period of 5 (five) years has not elapsed since his release from such imprisonment,
  - (iii) he has been sentenced by a court for Commission of any offence under this Act and a period of 5 (five) years has not elapsed since his release from such imprisonment,
  - (iv) he has been declared bankrupt by the court and has not been discharged from the liability of bankruptcy,
  - (v) he has been identified or declared by the Bangladesh Bank or by the court or by a bank or financial institution as a defaulter loanee of that bank or institution, or
  - (vi) his licence has been cancelled by the Commission at any time during the last 5 (five) years,

5.6 The Commission, on receipt of any application within a fixed time which will be determined by the Commission shall examine and evaluate its acceptability in relation to the set evaluation criteria (ref. page 13 to 15).

5.7 In line with the Telecommunications Policy, local companies as well as foreign investors, forming joint ventures with local companies, may participate in the development of telecommunication sector in Bangladesh. The Commission shall consider applications from intending operators registered in Bangladesh in accordance with the provisions of the Companies Act 1994 or Partnership Act 1932. The equity shareholding of each partner of the applicant must be maintained for at least a period of 4 (four) years from the date of grant of the licence. The applicants for Zonal PSTN Licence for the central zone must have personnel in the top-management that fulfil the qualifications and experience as shown in Schedule-5.1 of Appendix-5 as long as the licence remains valid.

## 6. Duration of Licence

6.1 The duration of the licences, National or Zonal, shall initially be for a period of 20 (twenty) years renewable thereafter on a 5 (five) yearly basis, at the discretion of the Commission.

## 7. Fees and Charges

7.1 The Commission shall impose upon the Licensees different fees and charges, based on the Licencing area applied for, for managing the authorization process as well as for granting of right of operation of the systems and services. Some of the charges or part thereof shall be based in proportion to the Licensee's annual audited gross turnover. In addition, usage fees shall also be levied for the radio frequencies to ensure the optimal use of such resources.

7.2 *Application Fee:* The application fee of Taka 10 million to be payable by Pay Order/Bank Draft to the commission at the time of submission of the application and shall be refundable in case the application is rejected.

7.3 *Licence Acquisition Fee:* The Licensee shall pay, within 30 (thirty) days of being notified by the Commission of its approval of the application, as a non-refundable licence acquisition fee of Taka 150 million. The grant of the licence shall be conditional on the payment of the licence acquisition fee.

7.4 *Annual Licence Fee :* The Licensee shall for the second and subsequent years of operation pay Annual Licence Fees comprising of the following:

- (a) *Fixed Component :* The Licensees shall pay, annual licence renewal fee of Taka 12 million annually on or before the date of issue of Licence.
- (b) *Variable Component :* a sum equivalent to 4% of the Licensee's annual audited gross turnover, which shall be paid on a quarterly basis within the first 10 days at the end of each quarter; at a rate of 4% of the gross turnover of previous quarter. The total variable component shall be reconciled on an annual basis based on the Licensee's audited accounts for that year and if there has been any underpayment the balance must be paid within 90 days of the financial year-end of the Licensee. In the event of any overpayment by the Licensee, the Licensee may set off any excess amount against quarterly payment in the next year. In case of any change decided upon by the BTRC regarding revenue sharing, such change shall be applicable to the licensee/operator also.
- (c) *Interest at a rate of 13.5% per annum from the date of default to the date of payment, shall be payable by the Licensee for any late payment.*

7.5 *Radio Equipment and Spectrum Charges* : A separate licence is required for the use of a radio equipment in the network. There shall be charges for the usage of radio equipment and related spectrum. The details of the current fee structure are given in Appendix-2. The rates are changeable by the Commission without any notice and shall be binding on the Licencees. The rights granted to the Licencee do not include any rights to use radio equipment in the network and related spectrum. For use allocation of frequencies separate applications have to be submitted to the BTRC for existing frequencies in use within 30 days of issue of the Licence. After receipt of the application, fresh assignments will be made by the Commission to the Licencee on case by case basis. If any frequency is not applied for, the same will be treated as with drawn and may be assigned for any other operation/service providers as per need.

## 8. Performance Bank Guarantee

8.1 A Performance Bank Guarantee (PBG) in a prescribed form shall be submitted within 30 days of being notified by the Commission of its approval of the licence application. The PBG shall be for the sum of taka 100 million.

8.2 On any breach of the licence condition and failure to fulfil roll-out obligations, the PBG may be cashed by the Commission without giving any notice. This is without prejudice to any other action that may be taken under the terms and conditions of the licence.

8.3 All fees, charges etc. are payable in favour of Bangladesh Telecommunication Regulatory Commission in the form of bank draft or pay order from any scheduled bank of Bangladesh.

## 9. Quality of Service

9.1 The Licencee shall comply with all QoS standards as imposed by the Commission.

9.2 The Licencee shall maintain records that demonstrate the manner and extent to which the QoS standards have been complied with and shall furnish a certified copy of such records to the Commission upon request. The Commission may publish such QoS statistics on a regular basis.

9.3 The Licencee shall ensure that traffic passes through its Network at all times in accordance with the minimum QoS standards imposed by the Commission.

9.4 If the Licencee does not meet the QoS standards, the Commission may impose the penalties set out in the Licence, as may be amended from time to time.

9.4 The Licencee shall be excused on a day to day basis from compliance with the QoS standards to the extent that it is unable to comply due to forces beyond its reasonable control such as fire, flooding and industrial disputes or other circumstances of force majeure, provided that it promptly notifies the Commission and/or where applicable the other Licencee, of the facts and circumstances giving rise to such inability to comply and takes any commercially reasonable action necessary to correct any faults or avoid any such circumstances so as to re-establish compliance with the QoS standards as soon as possible.

## 10. Accounting System

10.1 The Licencee shall implement such accounting practices that allow for the identification of the costs and charges on a current cost accounting basis for its Local Access Network, Core Network, Retail and Equipment Supply businesses. The purpose shall be to facilitate the future calculation of interconnection and call termination charges that are reasonable and transparently derived from costs based on such methodology (e.g. FDC, LRIC, TELRIC etc) as the Commission may subsequently determine. In addition, this will enable the Commission to detect and monitor other regulatory concerns such as bundling, predatory pricing, cross subsidies and other anti-competitive behaviour.

10.2 Revenues and costs should be allocated to business segments on the basis of causation i.e. revenues and costs should be allocated to those services or products that cause the cost or revenue to arise.

10.3 The *Local Access Network* business shall cover the provision of connections to the core telephony network including those components of the Systems of the Licencee that are dedicated to a particular customer, for example the local loops and line cards and ports located at concentrators and/or exchanges. The accounts for the local access network business include the costs and capital employed associated with providing and maintaining these local connections. Costs of providing lines to end user customers will initially be recorded under the accounts for the local access network business, but will be transferred to the retail business once line rental revenue is recorded so as to match these revenues with their associated costs. The line rental revenues from end users will be recorded under the retail business. Line rental revenues from unbundled local loops supplied to other operators will be recorded under the local access network business.

10.4 The *Core Network* business shall include the provision of interconnection services, transit services and carrier services of the network operator, including the switching and conveyance of calls to allow customers to communicate with customers of the same or other operators, or to access services provided by another operator. The core network includes all network components that are not part of the local access network. The accounts for the core network business include the costs and capital employed associated with providing and maintaining these network components. The revenues of the core network business will be mainly from the sale of interconnection services to the retail business and to other operators, but can also include the wholesale provision of transmission circuits, and the provision of engineering services to other operators.

10.5 The *Retail* business shall include the activities mainly related to the commercial provision of fixed telephony services and leased lines to end users such as the provision of local calls, national long distance calls, international calls, calls to mobiles, directory enquiries, public payphones, private circuits and other retail business. The accounts for the retail business include the costs, revenue and capital employed associated with the provision of these services to customers. The costs include transfer charges related to the use of network resources or services provided by the local access network business and core network business, and marketing and billing costs.

10.6 The *Apparatus Supply* business shall include the supply of telephone equipment, fax machines, cabling etc.

## 11. Customer Service and Complaints

11.1 The Licencee shall prepare a customer charter of rights that sets out the minimum standards of service to the customers/subscribers of the Licencee and gives guidance to the employees of the Licencee in their dealings with customers and subscribers. This charter shall be prominently displayed at all of the premises of the Licencee, and a copy shall be provided to customers upon request.

11.2 The Licencee shall prepare and submit to the Commission a form that will be used for customers to raise complaints in the event that minimum standards of service are not met. At a minimum, the form shall provide for the following matters:

- (a) Particulars of the customer (including name, address and contact details);
- (b) Date, time and place of the complaint;
- (c) Name of the staff against whom the complaint is made (if applicable);
- (d) Nature of the complaint;
- (e) Means to resolve complaint;
- (f) How and when resolved, if resolved.

11.3 The Licencee shall submit to the Commission a list of the procedures and the estimated time proposing how a complaint from a customer will be first received, responded to and finally resolved.

11.4 The Licencee shall indicate on the complaint form that in the event the customer is unsatisfied with action taken by the Licencee in response to the complaint, the customer may bring the matter to the attention of the Commission.

11.5 The Licencee shall comply with all directions issued by the Commission with regard to its complaints procedure.

## 12. Universal Service Obligations

12.01 Each Licencee shall install at least 5% of its capacity in rural and sparsely populated areas in order to provide services to people in those areas. The Licencee shall in addition comply with any of the USO including USF that may be imposed by the Commission.

## 13. Application Form

13.1 The applicant shall submit Application for PSTN operator's licence to the Commission in prescribed Form duly filled in signed and sealed together with all the necessary documents and information indicated in the Application Information at appendix 4. The prescribed Application Form is appended with these Regulatory and Llicencing Guidelines at appendix 5.

13.2 The Guidelines prescribed application Form, generic licence form and application information will be available in the office of the Commission.

#### 14. Miscellaneous

14.1 Each Licencee shall comply with the provisions of the Act, the terms and conditions of its licence, and any regulations or guidelines issued by the Commission. The Commission has the right in its sole discretion to change, amend, vary or revoke any of the terms and conditions of the licence upon the provision of notice to the Licencee informing the Licencee of the reasons for the proposed change. A generic form of a PSTN licence is attached for reference as Appendix-3. This is provided for information only as an indication of the format and types of provisions that may be included in the licence. The final terms of the licence are a matter solely for the Commission to determine and shall be contained in the licence issued by the Commission to the relevant applicant.

14.2 Any enquiry concerning the Regulatory and Licencing Guidelines for invitation of offers/proposals for issuing licence to private operator for establishing, operating and maintaining PSTN Services in Central Zone should be made in writing and addressed to the Director, Legal and Licencing Division, BTRC.

#### 15. Status

15.1 This document has been made to provide an accurate and authoritative account of the Licencing Guidelines, the licences to be granted to successful applicants will be the complete authoritative text.

15.2 The information contained in this document is intended to assist interested parties in applying for the relevant licences. It does not bind the Commission to any particular course of action in relation to the handling of any application, or to the terms of any licence to be granted, or to grant any licence to any party.

15.3 The Commission reserves the right to change its policies and/or to amend this document without prior notice.

## Evaluation Criteria

### A: Eligibility Criteria

Sl no.	Name of criteria	Amount
01	Application fee	Tk. 10 million
02	Licence acquisition fee	Tk. 150 million
03	Annual licence renewal fee	Tk. 12 million
04	Performance Bank Guarantee (PBG)	Tk. 100 million
05	Gross revenue sharing	4%
06	Establishment of an optical fibre network with standby Microwave Network in the Central Zone.	
07	System should be capable to handle a minimum traffic of 50 mErlang per subscriber	50 mErlang per subscriber

#### Note:

- 1) The application fee to be payable by Pay Order/Bank Draft to the Commission at the time of submission of the application and shall be refundable in case the application is rejected.
- 2) The licence acquisition fee is to be paid in one instalment on or before the date of issue of the licence and is non-refundable.
- 3) Annual licence renewal fee to be paid annually on or before the date of issue of licence.
- 4) Performance Bank Guarantee (PBG) to be submitted for the roll out plan period i.e three years in a prescribed form on or before the date of issue of the licence. (Appendix 3 at page 41)
- 5) To be paid to BTRC a sum equivalent to 4% (four percent) of the Licensee's annual audited gross turnover, on a quarterly basis. In case of any change decided upon by the BTRC regarding revenue sharing, such change shall be applicable to the licensee/operator also.
- 6) To establish an optical fibre network with standby microwave network in the Central Zone.
- 7) The system should be capable to handle a minimum traffic of 50mErlang per subscriber for smooth call processing.
- 8) The applicants/offers will have to meet/ fulfill all the criteria above to be considered eligible for selection as per selection criteria given hereafter. Applicants/offers, which do not meet any of the conditions above, will not be eligible and not be considered for selection.

### B: Selection Criteria

#### i) Operators proposal for roll out and different charges

Sl no.	Name of criteria	Description
01	Roll out plan	The roll out plan period will be of 3 years commencing from the date of issue of licence
02	Tariff proposal	a. Charge for local call per minute b. Charge for NWD/STD call per minute c. Charge for IDD/ISD call per minute
03	Proposed monthly line rent	A fixed amount will be paid to the licensee/operator each month by the subscriber for the telephone connection irrespective of the use of telephone.
04	Proposed connection charge	An one time fixed amount to be paid to the licensee/ operator by the subscriber for the telephone connection.
05	Providing value added services without any extra charge	

#### ii) Operators performance against PSTN Zonal Licence already granted

01	The applicant/offerer having PSTN licence for 4 zones will be given preference.
02	Commencement of operation in 4 zones will be given preference
03	Number of subscriber connections given
04	Length of Installed Microwave backbone Network
05	Number of Base Transceiver Stations Installed
06	Number of local exchanges installed

**Note A:**

**i) Operators proposal for roll out and different charges**

01. **Roll Out Plan**  
The highest marks will be given to the applicant/offeree, offering maximum subscriber connection within the shortest period during the roll out plan, keeping in mind that the total period of the roll out plan will be three years, commencing from the date of issue of licence. Specific details and justification for the plan should be submitted with the application/offeree. The applicant/offeree not performing according to the Roll Out Plan will be penalised by way of non-refundable deductions from PBG to be decided by the Commission as given at appendix 3 at page 43.
02. **Tariff proposal**  
The offer should contain specific proposal for local call charge per minute. The lowest offer will get the highest marks while the highest offer will get the lowest marks and others will be marked accordingly.
  - a. The offer should contain specific proposal for NWD/STD call charge per minute. The lowest offer will get the highest marks while the highest offer will get the lowest marks and others will be marked accordingly.
  - b. The offer should contain specific proposal for ISD/IDD call charge per minute. The lowest offer will get the highest marks while the highest offer will get the lowest marks and others will be marked accordingly.
03. **Proposal for monthly line rent**  
The offer should contain specific proposal for monthly line rent. The lowest offer will get the highest marks, while the highest offer will get the lowest marks and others will be marked accordingly.
04. **Proposal for connection charge**  
The offer should contain specific proposal for connection charge including security deposit. The lowest offer will get the highest marks while the highest offer will get lowest marks and others will be marked accordingly.  
**N.B: The tariff proposal & connection charges can not be revised up-wards for the period of the roll out plan as explained above.**
05. **Providing value added services without any extra charge**  
The applicant/offeree offering maximum number of value added service without any extra charge will get the highest marks and the others will be marked accordingly (ref. list at annexure-1 at page 16)

**Note B:**

**ii) Operators performance against zonal PSTN licence already granted**

01. **PSTN Zonal Licence in different zones**  
The applicant/offeree having PSTN Zonal Licence for 4 zones will be given highest marks while others will be marked accordingly.
02. **Commencement of operation in 4 zonal areas**  
The applicant/offeree with commencement of operation in 4 zonal areas will be given highest marks while the others will be marked accordingly. The period of assessment will be from the date of grant/issue of the first PSTN zonal licence to the applicant/offeree till Thursday the 4<sup>th</sup> May, 2006.  
**N.B. Existing Cellular Mobile Operator (both GSM and CDMA) and existing PSTN Operator/licence holder in the central zone (including partner/shareholder, if any) will not be eligible for applying either in it's own name or in association with any other operator/person.**



**03. Number of Subscriber connection**

The highest marks will be given to the applicant/offeree which has provided connection to maximum number of subscribers after being awarded the zonal PSTN licence and the lowest marks will be given to the applicant/offeree providing minimum number of subscriber connections and others will be marked accordingly. The applicant/offeree will have to submit a list of subscribers given connection upto 4<sup>th</sup> May, 2006. This will have to be accompanied by forms filled up by the subscribers mentioned in the list of the subscribers as above. The period of assessment will be from the date of grant/issue of the first PSTN zonal licence to the applicant/offeree till Thursday the 4<sup>th</sup> May, 2006.

**04. Installed Microwave backbone network**

The highest marks will be given to the applicant/offeree which has built/established the longest Microwave backbone network for its services. The lowest marks will be given for the shortest backbone and others will be marked accordingly. The period of assessment will be from the date of grant/issue of the first PSTN zonal licence to the applicant/offeree till Thursday the 4<sup>th</sup> May, 2006.

**05. Number of Base Transceiver Stations (BTS) installed**

The highest marks will be given to the applicant/offeree which has installed the maximum number of BTS after being awarded the zonal PSTN licence and the lowest marks will be given for the minimum number of BTS installed and others will be marked accordingly. The period of assessment will be from the date of grant/issue of the first PSTN zonal licence to the applicant/offeree till Thursday the 4<sup>th</sup> May, 2006.

**06. Number of Local exchanges installed**

The highest marks will be given to the applicant/offeree which has installed the maximum number of Local exchanges after being awarded the zonal PSTN licence and the lowest marks will be given for the minimum number of local exchanges installed and others will be marked accordingly. The period of assessment will be from the date of grant/issue of the first PSTN zonal licence to the applicant/offeree till Thursday the 4<sup>th</sup> May, 2006.

**Note C:**

The Assessment for selection will be made as per selection criteria given above.

**Note D:**

The 4 (four) applicants/offerees securing/obtaining the highest marks (i.e securing the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> position respectively) as per selection criteria above will be granted Zonal Licence for establishing, operating and maintaining PSTN fixed Telecommunication services in the central zone i.e, the Dhaka multi exchange area. However the applicant/offeree which has obtained the highest position will start/commence operation from the date of grant/issue of the licence; while the remaining 3 (three) operators will start/commence their operation from the date they provide the same number of subscriber connections as the number of subscriber connections provided as on Thursday the 4<sup>th</sup> May, 2006 by the applicant/offeree obtaining the highest/first position.

Annexure-1

List of Value Added Services to be provided to the subscriber without any charge

Sl no.	Description of Service
01	Call Barring
02	Emergency Services
03	Call Waiting
04	Directory Service
05	Called Party Pay
06	FAX Service
07	Voice Message Service
08	SMS Service
09	High Speed Data
10	Call Conferencing
11	Call Diverting
12	Virtual Private Network Service
13	Prepaid Service
14	Number Portability Service

N.B-The applicant/offerer may choose services from sl no. 01 to sl no 14, or may include any value added services not included here.

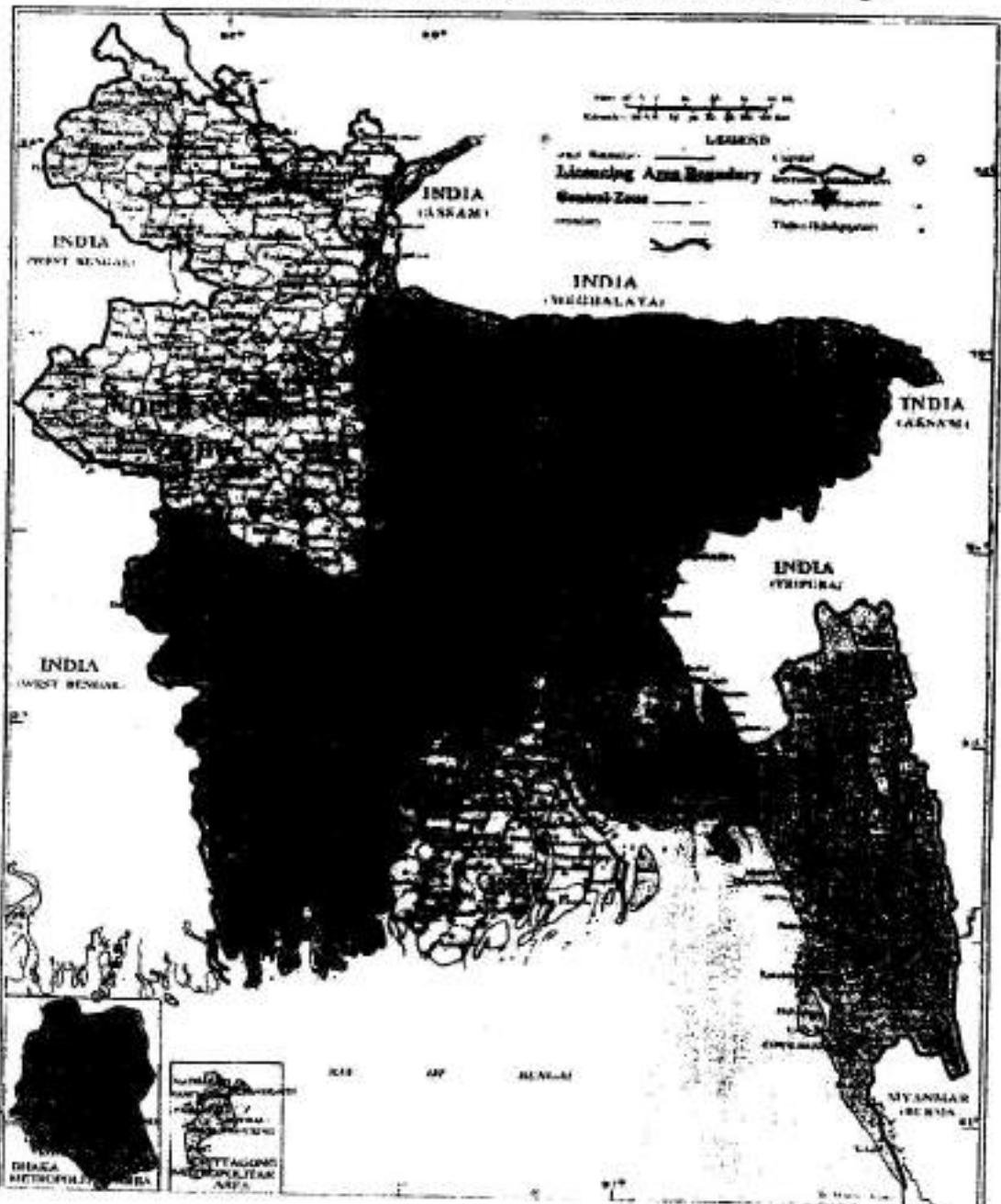
As

APPENDIX - 1

The Central Zone (Dhaka multi Exchange Area) which consists of Dhaka City Zinzira & Savar Narayanganj District H/Q Gazipur District H/Q & Tongi.

The Licencing area is also depicted in the map of the country in this page in red colour and star sign.

BTRC has till now issued PSTN licences for 4(four) zones except the central zone. At present there are two Licenced PSTN operators namely Bangladesh Telephone & Telegraph Board (Govt. owned) and WorldTel Bangladesh Limited (Private sector ownership) in the central zone. The commission will now issue 04 (four) zonal licences for zonal PSTN services in the central zone, i.e, the Dhaka Multi-Exchange Area (DMEA) consisting of Dhaka city, Zinzira, Savar, Narayanganj district head quarter, Gazipur district head quarter and Tongi.



APPENDIX - 2

RADIO FREQUENCY CHARGES

TABLE - 1

for omni directional and point to multi-point system

SI	Symbol	Frequency Range (Lower Limit Exclusive, Upper Limit Inclusive)	Charge per 1 KHz of Necessary Bandwidth of Emission per Year per Site in Taka
1	VHF	30-300 MHz	100.00
2	UHF1	300-1000 MHz	50.00
3	UHF2	1000-3000 MHz	30.00
4	SHF	3-16 GHz	20.00
5	SHF2 & EHF1	16-65 GHz	10.00
6	EHF2	65-300 GHz	1.00

TABLE - 2

for UHF, M/W, EHF point to point links per year basis

SI	Frequency Range (Lower Limit Exclusive, Upper Limit Inclusive)	Charges in Taka for Channel BW Capacity per KHz per Hop
1	UHF 300 MHz ~1 GHz	3.00
2	M/W 1 GHz ~16 GHz	2.00
3	M/W 16 GHz ~65 GHz	1.00
4	M/W 65 GHz ~100 GHz	0.50
5	Above 100 GHz	0.10

**TABLE - 3**  
**Charges per set per year of Tx / Rx for all ranges**

**(a) VHF**

<i>Sl</i>	<i>Output Power from the Final Stage of the Transmitter</i>	<i>Rate in Taka (proposed to be implemented)</i>
1	Less than 100 mW	100.00
2	100 mW ~ 500 mW	200.00
3	500 mW ~ 1 watt	500.00
4	1 watt ~ 3 watt	800.00
5	3 watt ~ 5 watt	1200.00
6	5 watt ~ 10 watt	2500.00
7	10 watt ~ 15 watt	3500.00
8	15 watt ~ 20 watt	5000.00
9	20 watt ~ 25 watt	7500.00
10	25 watt ~ 30 watt	10000.00
11	30 watt ~ 50 watt	20000.00
12	50 watt ~ 75 watt	40000.00
13	75 watt ~ 100 watt	75000.00
14	Above 100 watt each additional watt or part thereof	2000.00

**(b) UHF Band 1**

<i>Sl</i>	<i>Output Power from the final stage of the Transmitter</i>	<i>Rate in Taka</i>
1	Less than 100 mW	500.00
2	100 mW ~ 500 mW	1000.00
3	500 mW ~ 1 watt	1500.00
4	1 watt ~ 3 watt	2000.00
5	3 watt~5 watt	2500.00
6	5 watt~10 watt	3000.00
7	10 watt~15 watt	4000.00
8	15 watt~20 watt	5000.00
9	20 watt~25 watt	10000.00
10	25 watt~50 watt	20000.00
11	Above 50 watt each additional watt or pat thereof	2000.00

(c) UHF Band 2

Sl	Output Power from the final stage of the Transmitter	Rate in Taka
1	Less than 100 mW	1000.00
2	100 mW~500 mW	2000.00
3	500 mW~1 watt	3000.00
4	1 watt~3 watt	4000.00
5	3 watt~5 watt	5000.00
6	5 watt~10 watt	7500.00
7	10 watt~20 watt	10000.00
8	20 watt~50 watt	20000.00
9	Above 50 watt each additional watt or part thereof	2000.00

(d) SHF 1, SHF 2 & EHF

Sl	Output Power from the final stage of the Transmitter	Rate in Taka
1	Less than 100 mW	500.00
2	100 mW~500mW	1000.00
3	500 mW~1 watt	1500.00
4	1 watt~3 watt	2000.00
5	1 watt~5 watt	3000.00
6	5 watt~10 watt	5000.00
7	10 watt~20 watt	10000.00
8	<u>20 watt~50 watt</u>	20000.00
9	Above 50 watt each additional watt or part thereof	2000.00

Note 01: *Power of a Radio Transmitter is referred to in accordance with class of emission specified in radio regulation annexed to the International telecommunication Union Convention.*

Note 02: *In case of standby or supplementary transmitter, a quarter of the radio transmitter output power charge specified above shall be levied.*

Note 03: *Transmitter power level indicated is exclusive of lower limit and inclusive of upper limit.*

**TABLE - 4**  
**Miscellaneous Charges**

<i>Sl</i>	<i>Description</i>	<i>Rate in Taka</i>
1	Radio Communication Equipment for the control of models (TX power more than one watt) once and for all charge per unit	1,000.00
2	Issue of a new licence in case of original licence damaged or lost (Radio Communication services)	550.00
3	Licence Fees as per Category. Land (MF / HF / VHF / UHF / MW), Fixed or Mobile	100.00

**TABLE - 5**  
**Available Access Frequency**

Name of the Operator	CDMA 1900 MHz Band		
	Up Link	Down Link	No. of Carries
Operator 1	1860-1865	1940-1945	04
Operator 2	1865-1870	1945-1950	04
Operator 3	1870-1875	1950-1955	04
Operator 4	1875-1880	1955-1960	04

**TABLE - 6**

Microwave Frequency: 06 pair with 13.75 MHZ bandwidth from 18 GHZ and 02 pair with 14 MHZ bandwidth from 23 GHZ can be allocated to each operator.

**APPENDIX - 3**

**(GENERIC FORM OF PSTN LICENCE)**

**BANGLADESH TELECOMMUNICATION REGULATORY COMMISSION**

HOUSE : 10 , ROAD : 136 , GULSHAN 1 , DHAKA 1212 , BANGLADESH

**OPERATOR LICENCE**

**for**

**PSTN OF CENTRAL ZONE**

**ISSUED TO**

.....  
**UNDER THE  
BANGLADESH TELECOMMUNICATION ACT, 2001**

**ON**



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**BANGLADESH TELECOMMUNICATION REGULATORY COMMISSION**

HOUSE : 10 , ROAD : 136 , GULSHAN 1 , DHAKA 1212

**OPERATOR LICENCE**  
for  
**PSTN OF CENTRAL ZONE**

LICENCE NO :

DATED :

In exercise of the powers  
conferred by Section 36 of the Bangladesh Telecommunication Act 2001,  
(Act No : XVIII of 2001)  
Bangladesh Telecommunication Regulatory Commission  
is pleased to grant the licence in favour of

.....  
as an operator of  
**Public Switched Telephone Network**  
in Central Zone, Bangladesh  
whereby it is authorized

to establish, construct, maintain and operate the associated Systems as specified  
in Schedule-3.1 and to provide services as specified Schedule-3.2  
on non-exclusive basis

under the terms and conditions given in the following pages  
including the schedules annexed hereto.

## 1. INTERPRETATION

Unless the context otherwise requires, the following expressions shall have the meaning assigned to them in this document :

- (1) *Act* means the Bangladesh Telecommunications Act 2001.
- (2) *Access Lines in Service* means a voice grade channel provided over the Licencee's local network connecting that network to telecommunications equipment on a customer's premises, or to a public payphone.
- (3) *Applicable System* means all the necessary engineering systems and equipment to provide Internet service as per technical, operational and qualitative requirements.
- (4) *Commission* means Bangladesh Telecommunication Regulatory Commission established under Section 6 of the Act.
- (5) *Interconnection* means the visible or invisible or logical linking of more than one telecommunication network in order to enable the users of one network to communicate among themselves or to communicate with the users of another network or to avail themselves of the service of the other network;
- (6) *Licence* means an authorization granted or having effect as if granted by the Commission under Section 36 of the Act and the Regulations issued by the Commission.
- (7) *Licencee* means a company registered in Bangladesh under the Company's Act 1994 that has been permitted and awarded a licence for providing the Service.
- (8) *Message* means any communication transmitted or received by means of PSTN systems and networks.
- (9) *PBG* means Performance Bank Guarantee from a scheduled bank.
- (10) *QoS* means the quality of service observable through the measures on the grade of service, calls lost due to wrong processing, bit-error rate, response time, acceptable number of faults per subscriber, mean time
- (11) *Regulation* means the regulations made from time to time by the Commission under the Act.
- (12) *Services* means the services set out under Schedule-3.2 for which the Licencee is granted a Licence to provide.
- (13) *Subscriber* means any person or legal entity that avails the service from the Licencee.
- (14) *Systems* means the telecommunications systems set out in Schedule-3.1 for which the Licencee is granted a Licence to establish, construct, operate and maintain.
- (15) *Tariff* means charges payable by a subscriber for the service provided by the Licencee.

## 2. COMMENCEMENT

The Licence shall come into force on this day of ..... and shall be valid for a period of 20 (Twenty) years unless terminated earlier, subject to the terms and conditions contained in the Licence, the provisions of any existing enactment, the rules and regulations made there under by the Government and/or the Commission, and the changes and modifications including any new enactments as may be considered expedient and necessary from time to time.

### 3. RENEWAL

Upon expiry of the initial term, the Licence may be renewed for subsequent terms, each of 5 years in duration, subject to the approval from the Commission and to such conditions, including the payment of any fees, as may be specified herein and/or by the Commission under the Act.

### 4. SCOPE OF THE LICENCE

4.01 The service area of this Licence extends to the Central Zone as described in Schedule-3.1. The Licensee may install its applicable system anywhere in the service area for the purpose of providing the Service. However, it is the responsibility of subscribers to procure end-user terminal(s). The leased line subscribers shall be located within the service area.

4.02 The provisions of the Act shall regulate the Licensee. The Wireless Telegraphy Act 1933 and the Telegraph Act 1885 as modified from time to time shall also be applicable on matters not covered in the Act. In addition, the Regulations gazette, the Guidelines set forth, Directives issued and the Executive Orders notified from time to time by the Commission in respect of the service shall also be applicable and binding on the Licensee.

### 5. SYSTEMS AND SERVICES

5.01 The Licensee shall establish, construct, operate and maintain the Systems as described in Schedule-3.1 for the delivery and transmission of the Services as described in Schedule-3.2. The Licensee may connect its Systems to the systems of any other operator Licensed by the Commission. Except with the express authorization of the Commission, the Licensee undertakes not to operate any network or system or provide any service other than that described in Schedule-3.1 and Schedule-3.2.

5.02 Any proposed changes to the Systems and Services which affect the subscribers of other Licensees shall be submitted in such format as in Schedule-3.3 or as may be prescribed by to the Commission in writing, together with any related technical information for consideration and approval of the Commission. The Licensee shall not proceed with such changes to the Systems if the Commission does not issue any approval of the proposed changes.

5.03 The Licensee must comply with the requirements and approval of tariff as per conditions in para-12 before introduction of any new service or changes in the existing service.

### 6. RADIO FREQUENCY LICENCE

The rights granted to the Licensee do not include any rights to use radio equipment in the network and related spectrum. For use of separate spectrum, spectrum applications have to be submitted to the Commission for existing frequencies in use within 30 days of issue of this Licence. After receipt of the application, fresh assignments will be made by the Commission to the Licensee on case by case basis. If any frequency is not applied for, the same will be treated as with drawn and may be assigned for any other operation/service providers as per need.

### 7. FEES AND CHARGES

7.01 The Licensee shall pay all the required fees within the stipulated time frames. All the fees paid by the Licensee are non-refundable.

7.02 The Licensee, after the payment of the Licence acquisition fee of Taka 150 million at the time of issuance of licence, shall for the second and subsequent years of operation pay annual Licence fees comprising of the,

- (a) *Fixed Component* : a sum of Taka 12 million payable by the Licensee in advance annually on or before the date of issue of licence. and
- (b) *Variable Component* : a sum equivalent to 4% of the annual audited gross turnover of the Licensee, which shall be paid on a quarterly basis within the first 10 days at the end of each quarter at a rate of 4% or more of the gross turnover of previous

quarter. The total variable component shall be reconciled on an annual basis based on the Licencee's audited accounts for that year and if there has been any underpayment the balance must be paid within 90 days of the financial year-end of the Licencee. In the event of any overpayment by the Licencee, the Licencee may set off any excess amount against quarterly payments in the next year.

7.03 Interest at a rate of 12.5% per annum from the date of default to the date of payment, shall be payable by the Licencee for any late payment.

## 8. COVERAGE, ROLL-OUT AND UNIVERSAL SERVICE OBLIGATIONS

8.01 The Licencee shall use all reasonable endeavors to abide by its proposals on network rollout and coverage and any other plans and commitments submitted to the Commission in its application for this Licence.

8.02 Within 30 days of the notice of approval of the Licence issued by the Commission, the Licencee shall furnish the Commission with a performance bank guarantee in a prescribed form of a scheduled bank designated by the Commission for the performance of its obligations under this Licence.

8.03 The PBG shall be for the sum of Taka 100 million.

8.04 Within 30 days of each anniversary of the Effective Date, the Licencee shall provide the Commission with a report certified by an authorized representative of the Licencee indicating the actual number of Access Lines in Service at that date and the Access Lines in Service target for that year, and the actual number of Access Lines in Service in rural and sparsely populated areas in accordance with its roll-out plan.

8.05 If the Commission determines that the Licencee has complied with its obligations under this Licence and that the rollout targets have been met, the Licencee may request that the performance bond to be reduced in accordance with the terms of the performance bank guarantee.

8.06 Upon any breach of a Licence condition and/or failure to fulfill roll-out obligations, the PBG may be cashed by the Commission without giving any notice. This is without prejudice to any other action that may be taken under the terms and conditions of the Licence.

8.07 The Commission shall specify in detail the terms and conditions of the performance bank guarantee for the Licencee based on the commitments made by the Licencee in its application and any additional terms and conditions deemed necessary by the Commission.

8.08 The Licencee, notwithstanding (a) any change in the value of the PBG over time or (b) any forfeiture of the PBG or part thereof, shall continue to fulfill and perform all its obligations under the Licence.

8.09 Within 2 weeks of the grant of the Licence, Licencees who intend to collect money deposits and/or use prepaid cards for the collection of payments from their customers (other than credit cards) shall furnish the Commission with a performance bank guarantee for the sum of Taka 50 million in a prescribed form and issued by a Scheduled Bank operating in Bangladesh.

8.10 The Licencee shall install at least 5% of its capacity in rural and sparsely populated areas in order to provide services to people in those areas.

8.11 The Licencee shall provide and maintain Public Pay Phones and Community Telephone services & VPN if so directed by the Commission from time to time in the Licenced area.

## 9. QUALITY OF SERVICE OBLIGATIONS

9.01 The Licencee shall ensure that voice traffic passes through its network with minimal interference and/or loss and without unauthorized access.

9.02 The Licencee shall achieve the QoS standards set out in the annexed Schedule-3.5 and maintain records of the same. The Commission may inspect these records and the Licencee shall furnish certified copies of such reports to the Commission upon demand or at scheduled intervals.

9.03 The Commission may vary, change, amend, modify or revise the QoS standards from time to time without prior notice and the Licensee shall comply with the new QoS standards imposed within the time period stipulated by the Commission. The Licensee shall submit to the Commission monthly reports on its compliance with each of the QoS standards within the first five working days of each English calendar month, in such form as may be stipulated by the Commission.

9.04 If the Licensee does not meet the QoS standards, the Commission may impose the penalties set out in Schedule-3.6 on the Licensee, as may be amended from time to time.

9.05 The Licensee shall be excused on a day to day basis from compliance with the QoS standards to the extent that it is unable to comply due to faults attributable to another Licensee or due to forces beyond its reasonable control such as fire, flooding and industrial disputes, provided that it promptly notifies the Commission and/or where applicable the other Licensee, of the facts and circumstances giving rise to such inability to comply and takes any commercially reasonable action necessary to correct any fault or avoid any such circumstance so as to re-establish compliance with the QoS standards as soon as possible.

## 10. INTERCONNECTION

10.01 The Licensee shall have a duty to interconnect, directly or indirectly, with all other Licensees. In order to carry the overseas traffic through the international gateways and NLD traffic through the long distance network outside its Licensed zone, the Licensee shall pass the same through its own long distance network by its optical fiber network and redundancy SDH Microwave link but instantly leased line from other Licensed operators may for providing NLD services on mutual agreement. The Licensee shall connect any equipment or systems approved by the Commission to the Systems of other Licensees and at the appropriate connection points and provide any equipment or telecommunications systems for this purpose and provide access to the Systems by any other Licensee upon payment of reasonable access charge. The Licensee shall apply to the Commission for approval of equipment or systems that have not yet been approved by the Commission within 1 (one) month of receipt of the request for interconnection. The Licensee shall comply with the directives of the Commission with regard to interconnection facilities of the Licensee and the Commission shall have the right to settle any dispute between the Licensee and any other operator and/or to determine the terms of any Interconnection Agreement already entered/to be entered into between the Licensee and any other operator, if the Licensee fails to negotiate the terms of the Interconnection Agreement with another operator.

10.02 The Licensee shall also have the right to request interconnection with the networks and services of other Licensees in accordance with the procedures set by the Commission. The terms and conditions of such an agreement may be negotiated independently between the parties provided that they comply with the Act, Regulations and Directives and the conditions prescribed in this License and in the event that the parties cannot agree to terms, the matter shall be determined by Commission, whose decision shall be final and binding on the parties.

10.03 The Licensee shall,

- (a) file all concluded interconnection agreements with the Commission for public access;
- (b) comply with all technical standards set by the Commission covering interconnection; and
- (c) comply with all other access and interconnection obligations as stipulated by Commission or as issued by Commission from time to time.

10.04 The Licensee shall not impose any technical or other conditions, which may hinder access or interconnection apart from, that stipulated by the Commission nor shall the Licensee inhibit access or interconnection through other ways or means.

## 11. NETWORK ACCESS AND FACILITY SHARING

11.01 Unless expressly exempted, the Licensee shall apply to the Commission for a permit under Section-40 of the Act for sharing or leasing of any of its installations or systems or any apparatus or facility by which PSTN services can be provided for any use of a third party, not Licensed for the same, whether on a commercial basis or in lieu of fees, price or other considerations.

11.02 The Licencee shall comply with the directions of the Commission on network access and facility sharing.

11.03 Where it deems necessary, the Commission may direct that the Licencee shall share facilities and/or infrastructure with other Licencees and the Licencee shall cooperate and work with other Licencees to submit plan for sharing of facilities/infrastructure to the Commission.

11.04 No permit from the Commission will be required for sharing of space (land and / or building), tower, mast, pole, duct, tunnels and manholes, power supply or any other ancillary facilities. This will be a matter for the mutual agreement between operators or service providers. However, the Commission reserves the right to alter, modify, include, and exclude any item from this list of exemptions.

## 12. PRICING AND TARIFFS

12.01 The Licencee shall, before providing any Service, submit to the Commission in writing

- (a) a tariff chart / schedule containing the maximum and minimum charges that it proposes to charge for the Service, and its justification for the charges; and
- (b) the description of the Service, the terms and conditions and all other relevant information which it proposes to publish to its customers. The information to be published must be in a form that is readily available, current and easy to understand.

12.02 The Licencee shall not start providing any Service before obtaining the approval of the Commission for its tariff and shall comply with conditions as may be imposed by the Commission.

12.03 The Licencee shall obtain the written approval of the Commission before making any changes to the approved tariff charges.

## 13. BILLING AND METERING

13.01 The Licencee shall provide a clear and concise statement of charges to its subscribers on a timely and regular basis. This statement shall reflect the prices, terms and conditions for any applicable price or service plans which the subscriber has subscribed to and the due date of payment before late charges are incurred. The Licencee shall not bill its subscribers for any charges, which it has not disclosed to the subscribers in its published tariff and/or terms and conditions, or for PSTN services that have not been sought for by the subscribers.

13.02 The Licencee shall take all reasonable steps to ensure that its billing systems and metering equipment used in connection with the Service are reliable and accurate and capable of providing subscribers with itemized billing if so requested at a reasonable charge for this service.

13.03 The Licencee shall keep records of any metering equipment used in such form as may be specified by the Commission and shall supply such records as and when called for by the Commission.

## 14. NUMBERING AND SIGNALING POINT CODE

14.01 The Licencee shall comply with any national numbering plan / grid or the directions of the Commission with regard to the same and abide by all guidelines on usage, allocation and assignment of numbers issued by the Commission. The Licencee shall provide justification for the use of numbers if called for by the Commission, in any application and shall seek to ensure efficient allocation and usage of the numbers amongst its subscribers.

14.02 The Licencee shall get the allocation of signaling point codes for its PSTN exchanges where SS7 signaling will be used.

14.03 The Licencee shall comply at its own cost, with all requirements, guidelines and directives issued by the Commission on number portability.

14.04 Any telephone number assigned to the Licencee by the Commission is the property of the Commission and the Licencee, and its subscribers shall not have proprietary rights in the telephone numbers. The Commission reserves the right to amend or reallocate any telephone number upon written

notice to the Licencee at the cost, if any, of the Licencee.

14.05 The Licencee shall consult the Commission on any arrangements for the allocation and reallocation of numbers and codes within its own numbering plan, and prepare and furnish to the Commission its proposals for developing, adding to or replacing the numbering plan relating to the Service.

14.06 The Licencee shall ensure that its Systems and any customer equipment supplied to its subscribers will permit (currently or via an upgrade) the portability of numbers assigned to any customer of the Licencee, or any other Licencee, so that as and when the Commission mandates number portability, any number so assigned may be used by that customer should it cease to be a customer of any such entity and become a customer of the Licencee or any other Licencee, as the case may be.

## 15. NETWORK DESIGN, INTEROPERABILITY AND PUBLIC WORKS

15.01 The Licencee shall design and maintain its telecommunication network(s) in accordance with any directions issued by the Commission and shall comply with interoperability and other technical standards prescribed by the Commission.

15.02 The Licencee shall not connect to the Systems, any equipment or system that does not comply with the national standards for telecommunication apparatus set by the Commission.

15.03 The Licencee shall inform the Commission of the network routing used and system followed for the transmission and reception of messages, signals and other information into and out of its System.

15.04 The Licencee shall prior to any installation or maintenance work on the Systems obtain all necessary permissions from the relevant authorities or governmental departments for works on land owned or controlled by any Government or local authority or statutory body, and from the relevant owner or occupier for works on any private land.

15.05 The Licencee shall undertake and complete all installation and maintenance work diligently and without delay whilst at all times observing the need for public safety in compliance with local laws and regulations. The Licencee shall at a minimum, fence up the site, install warning lighting at night and reinstate any affected areas to their original condition once the Licencee's work is completed.

15.06 If third party owned or Licenced property is affected as a result of the installation and/or maintenance work, the Licencee shall seek the applicable third party's consent prior to displacing or interfering with telecommunication lines, gas or water pipes, drains or sewers, or tubes, casing, duct, wires or cables or other third party property or equipment.

15.07 The Licencee shall be solely liable for any losses, damage, claims, costs or expenses caused, arising from or in connection with any installation and/or maintenance work in public areas.

## 16. SUBSCRIBER CONFIDENTIALITY

16.01 The Licencee shall maintain confidentiality in respect of all information provided by the subscriber save in the case of the following situations:

- (a) where the disclosure of the information is necessary for the purposes of detecting, preventing or investigating crime in which case disclosure should only be made to persons authorised by the Commission;
- (b) where disclosure is deemed necessary by the Commission or other national security and law enforcement agencies; and
- (c) where disclosure is ordered by a court of competent jurisdiction or so provided by law.

16.02 Further, the Licencee may only use any information provided by a subscriber for the following purposes:

- (a) internal planning, provisioning and billing for Services;
- (b) facilitating interconnection and inter-operability between Licencees;



- (c) other purposes approved by the Commission; and
- (d) providing assistance to national security and law enforcement agencies as specified by law.

## 17. DIRECTORY INFORMATION, OPERATOR ASSISTANCE AND EMERGENCY CALL SERVICES

17.01 The Licencee shall provide 24 hour operator assistance services to its subscribers. The Licencee shall exchange relevant subscriber data with other Licencees without charge and maintain an integrated customer/subscriber information database for the purposes of providing directory information and inquiry services to its subscribers or to any person who so requests at a fair and reasonable charge.

17.02 The Licencee shall provide directories for its subscribers or to any person who so requests at a fair and reasonable charge and on a regular basis.

17.03 The Licencee shall ensure that any person through customer premises equipment connected to the Systems and through public payphones owned or operated by the Licencee, may on a 24 hour daily basis and without charge, contact emergency services including (a) the Police Services, (b) Fire Fighting Services, (c) Ambulance or Emergency Hospital Services and (d) Any other national agencies as directed by the Commission.

## 18. NATIONAL EMERGENCIES

18.01 Licencee shall facilitate and cooperate with all relevant government bodies, departments and official agencies for the provision of the Services in the event of national emergencies or where issues of national security arise.

18.02 In the event of any war or war situation, internal national disorder (including strikes), urgent state affairs or situations demanding national security, the Government may use equipment and the Systems used by the Licencee for its PSTN network.

18.03 In case of national emergency, declared by the President, the Government may suspend any particular activity of or a particular service provided by the Licencee. For public interest reasons, the Government may take over the possession of the PSTN installations along with its employees to operate the Systems.

## 19. COMPLAINTS, DISPUTE RESOLUTION AND CONSUMER PROTECTION

19.01 The Licencee shall prepare a customer charter of rights that sets out the minimum standards of service to the customers/subscribers of the Licencee and gives guidance to the employees of the Licencee in their dealings with customers and subscribers. This charter shall be prominently displayed at all of the premises of the Licencee, and a copy shall be provided to customers upon request.

19.02 The Licencee shall publish information about the Services it provides in a form, which is easily available to consumers. This shall cover *inter alia* a description of the Services, the pricing plans, terms and conditions, procedures for billing, bill enquiries and complaints, the provision of fault repair services and all other relevant information relating to the provision of the Services and other telecommunications equipment.

19.03 The Licencee shall inform subscribers all of its obligations under this Licence and in particular apprise its subscribers the obligations of the Licencee of confidentiality and specific use of information in accordance with para-16 of this Licence.

19.04 The Licencee shall operate a consumer friendly system, which will allow subscribers to lodge complaints to the Licencee in the event of a breach of any of the terms of this Licence.

19.05 The Licencee shall submit to the Commission and make publicly available at the end of the Licencee's financial year or upon demand by the Commission, a report indicating the number of complaints

received from subscribers, the nature of such complaints and the steps taken by the Licencee to address these complaints. The Licencee shall prepare the report in a format prescribed or approved by the Commission.

19.06 In the event of any differences or disputes with other operators and failure to resolve the differences or disputes among themselves, the Licencee may refer the matter to the Commission for resolution of the same. The Commission may decide as it considers appropriate to resolve the dispute and the same shall be binding on the concerned parties.

## 20. ANTI-COMPETITIVE CONDUCT, UNFAIR COMPETITION AND DISCRIMINATION

20.01 *Anti-Competitive Conduct* : The Licencee shall not engage in anti-competitive conduct which in the view of the Commission inhibits or impedes fair competition including exploiting a position of dominance such as to unreasonably restrict competition. Acts of anti-competitive conduct include, but are not limited to, the following:

- (a) engaging in predatory price cutting which may be implied where:
  - (i) a Service is priced at less than marginal costs for 3 consecutive months;
  - (ii) such costs are likely to price competition out of the market or deter competitors from entering the market;
  - (iii) the Licencee is able to recoup the full amount of the loss incurred during the period of price cutting.
- (iv) engaging in cross subsidizing where the revenues for a service is used to unfairly cross subsidize the price of other services or equipment;
- (v) engaging in unfair pricing such as to reduce or eliminate competition including fixing prices for services or equipment at a level which cannot be re-sold with a margin of profit to subscribers;
- (vi) entering into exclusive arrangements which deny competitors access to services or equipment.

20.02 *Unfair Competition* : The Licencee, on his own or through a third party, shall not engage in any practice which unfairly restricts or is likely to restrict existing competition in the national telecommunications industry or which deters or restricts or is likely to deter or restrict new Licencees into the national telecommunications industry including, but not limited to, engaging in the following practices:

- (a) asserting false or misleading claims on the availability, price or quality of its Services or Systems or the services or systems of any other Licencee or competitor;
- (b) degrading the availability or quality of a Licencee or competitor's services or systems or unfairly raising their business, operational or technical costs;
- (c) unlawfully interfering with the suppliers or subscribers of the Licencee or its competitors; or
- (d) providing false or misleading information to other Licencees or competitors or to any third party.

20.03 *Discrimination* : The Licencee shall not discriminate or create any inconvenience to any person, group or class of persons, nor shall he give any unfair or unreasonable preference to himself or any other person in, amongst other things, the performance, price, terms and conditions of the Services provided.

## 21. ACCOUNTS

21.01 The Licencee shall at all times, maintain full and accurate books of account and other records reflecting all financial matters, in accordance with sound and acceptable accounting practices. Commission reserves the right to issue accounting guidelines to the Licencee from time to time and the Licencee shall

*Page*

comply in all respects with such guidelines.

21.02 The Licencee shall comply with all directions issued by the Commission with regard to accounting separation and the proper allocation of costs.

21.03 The Licencee shall submit certified copies of its financial records and yearly audited accounts to the Commission on request. The Commission shall have the access to originals of such records and accounts.

## 22. CHANGES IN MANAGEMENT STRUCTURE

22.01 The Licencee shall provide the Commission with information on its shareholding and management arrangements including particulars of its Chairman, Board of Directors and Chief Executive Officer.

22.02 For a period of 4 consecutive years from the time the Licencee is granted this Licence, the Commission's prior approval in writing must be sought for any changes in ownership, shareholding and management including any proposed changes to the board of directors. Upon expiry of the 4-year period referred to above, any proposed change in ownership, shareholding and management must be notified to the Commission at least 6 (six) weeks prior to the implementation of such a change.

## 23. INFORMATION AND INSPECTION

23.01 The Commission or its authorised representatives shall have the right to enter and inspect the offices, places and premises where the Licencee has installed the Systems. The Licencee shall provide all information as may be required by the Commission and provide demonstrations of the Services and the Systems if so deemed necessary.

23.02 The Commission or any person authorised by the Commission shall take copies of records, documents and other information relating to the Licencee's business for the purpose of enabling Commission to perform its functions under the Act and provisions in the Licence. The Licencee shall promptly deliver any information or documents to the Commission upon request.

23.03 The Commission may appoint or engage its representatives to conduct surveys or to generate reports or studies for various matters including Quality of Service, and the Licencee shall provide all parties, so authorized by the Commission with reasonable assistance as well as access to any information or documents.

## 24. REPORTS

24.01 The Licencee shall furnish to the Commission on quarterly basis the information on the type and capacity of its installations, the number of active subscribers, the number and type of end-user connectivity, pending demand, QoS reports, traffic data of each installation as well as the type and capacity of the transmission links owned and taken on lease. In addition, the Licencee shall also be required to furnish any information on Systems and Services any time if asked for by the Commission.

24.02 The Licencee shall publish Annual Report of the company within 3 (three) months of the end of each financial year. The Commission may, from time to time, issue guidelines for the purpose as regards its contents, which will be obligatory on the Licencee to follow. In addition, the Licencee shall submit to the Commission 5 (five) copies of the audited financial of the company that will contain its balance sheet, profit and loss account, cash flow statements, plant capacity of local and trunk exchanges, number of subscribers connected or waiting for connection etc.

## 25. AMENDMENTS

The Commission has the right in its sole discretion to change, amend, vary or revoke any of the terms in this Licence upon notice to the Licencee, informing the reasons for the proposed change. The Licencee may submit a reply within 15 days of the date of issue of the notice. If no reply is received within 15 days, the amendments shall take effect on the 16<sup>th</sup> day after the date of issue of the notice. If a reply is received, the Commission shall consider the reply and notify the Licencee within 30 days of the reply of its decision to either (a) rescind the amendments or (b) modify the amendments or proceed with the proposed

amendments, in which case the amendments shall take effect on the 15<sup>th</sup> day after the date of the Commission's second notice. The Licencee shall comply with all new terms and conditions imposed by the Commission.

## 26. SUSPENSION, REVOCATION AND FINES

26.01 The Commission may, in any of the events specified in Section-46 of the Act, suspend or cancel all or any part of this Licence and / or impose fine as mentioned in Section-46(3) of the Act.

26.02 The Commission may also impose fine under Section-63(3) and Section-64(3) of the Act for any violation of any condition of this Licence.

26.03 In the event of such suspension, cancellation or revocation of the Licence, the Commission may engage any agency or administration at an agreed fee to operate and maintain the system and Services in order to continue with and fulfill the obligations of the Licencee towards its subscribers. The Licencee shall not have any claim for any compensation and any right on the revenue for the same.

## 27. TRANSFER OR ASSIGNMENT

27.01 This Licence and any right acquired hereunder shall not be transferred, wholly or partly, and such transfer, if any, shall be void.

27.02 The Licencee shall not subcontract out any part of the Services or the System without first informing the Commission in writing. The Licencee may appoint agents or independent contractors or sub-contractors to carry out works or provide any services which enable the Licencee to discharge its duties and obligations under this Licence provided always that the Licencee shall be liable for any act, omission, default, neglect or otherwise of the agents and independent contractors or sub-contractors in carrying out any such works or providing any such services.

## 28. FRANCHISING

28.01 The Licencee shall provide the Commission with all relevant information on proposed franchisees including the proposed franchising area, systems and services to be franchised, the background, financial standing and experience of the franchisee, at least 6 weeks prior to their appointment or engagement. The Commission may review such information, issue directions and/or disallow the appointment of the franchisee by the Licencee.

28.02 The Commission may at any time request for more information on the proposed franchisee or direct the Licencee to provide documentary evidence on various matters including the financial standing of the franchisee.

28.03 The Licencee shall ensure that its franchisees comply fully with all the conditions of this Licence and all applicable laws.

28.04 The Licencee shall remain at all times fully accountable and liable for any act, omission, default, and neglect or otherwise of its franchisees.

## 29. MISCELLANEOUS

29.01 The Licencee shall comply with all terms and conditions of this Licence, applicable legislation including the Bangladesh Telecommunication Act 2001 and any applicable subsidiary legislation and all directions issued by the Commission from time to time.

29.02 The Licencee shall observe the requirements of any applicable international conventions on telecommunications to the extent that such a convention imposes obligations on Bangladesh unless expressly exempted by the Commission.

29.03 The Commission and / or any other Government departments shall not be liable for any loss, damage, claim, charge, expense which may be incurred as a result of or in relation to the activities of the Licencee, its employees, agents or authorised representatives.

- 29.04 All correspondence shall be in writing and shall be sent to the Licencee's registered place of business
- 29.05 All directions issued by the Commission shall remain private and confidential and Licencee shall not disclose the same without the prior approval of the Commission.
- 29.06 Not with standing para-0, the Commission reserves the right at its discretion to make the terms and conditions of this Licence publicly available in any medium and format whether on the Commission's or any other official government website, in any manner they deem fit.
- 29.07 If any condition or term herein is deemed to be invalid, unenforceable or illegal for some reason, that condition or term shall be severable and the remainder of the Licence shall remain in full force and effect.
- 29.08 Unless otherwise stated,
- (a) all headings are for convenience only and shall not affect the interpretation of the provisions of this Licence;
  - (b) the words importing the singular or plural shall be deemed to include the plural or singular respectively;
  - (c) any reference in this Licence to a person shall be deemed to include natural and legal persons;
  - (d) all references herein to applicable legislation or guidelines or directions issued by the Commission shall include all amendments made from time to time.
- 29.09 This Licence shall be governed by and construed in accordance with the laws of Bangladesh.

signed on this ..... day of ..... 2004

.....  
for and on behalf of the  
**Bangladesh Telecommunication Regulatory Commission**

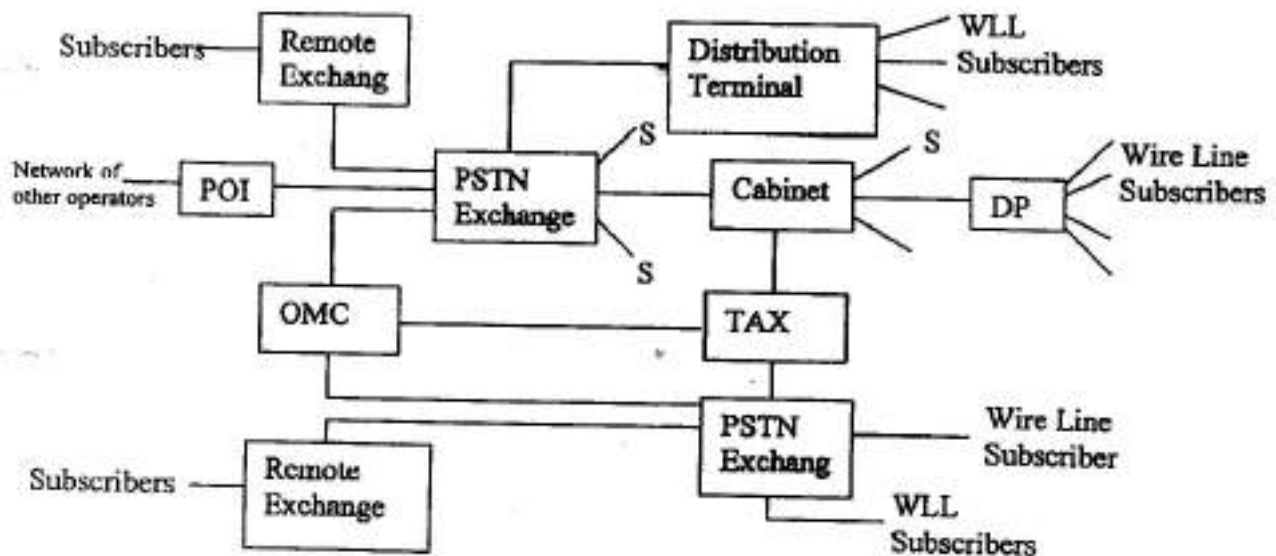
**SCHEDULE 3.1**  
**(Article 5.01)**

Description of the Public Switched Telephone Network (PSTN) systems to be established by the Licencee.

The Licencee is permitted to establish the PSTN systems i.e fixed telephone systems for providing basic telecom service in the Central Zone Licencing area.

**(\*) Technical and Operational System Configuration :**

The technical and operational system shall comprise broadly the combination of telecommunication apparatus, switching system, transmission apparatus, terminal apparatus etc. combined together and includes the transmission network between the exchange and the distribution terminal/cabinet through cable, co-axial cable, optical fibre and radio system (subject to the availability of spectrum) for providing the fixed telephone services. The last mileage for connection to the subscribers may be through wire line or wireless (subject to the availability of spectrum). The system as described above shall include the Exchange or Switching unit (Main or Remote Switching unit), Main distribution frame (MDF), TANDEM Exchange (if required), Signaling Point/Signaling Transfer Point, Centralised Operation and Maintenance Centre (OMC), Customer Service Centre, Billing System, Transmission System, Power Supply System etc installed within the Licencing zone. The long distance network within the Licencing zone and connected outside the zone for inter-zonal and international traffic, shall include the optical fibres or radio transmission links (subject to the availability of spectrum) with terminal and associated equipment as well as Trunk Automatic Exchanges (TAX). The schematic diagram of the system configuration is illustrated below:



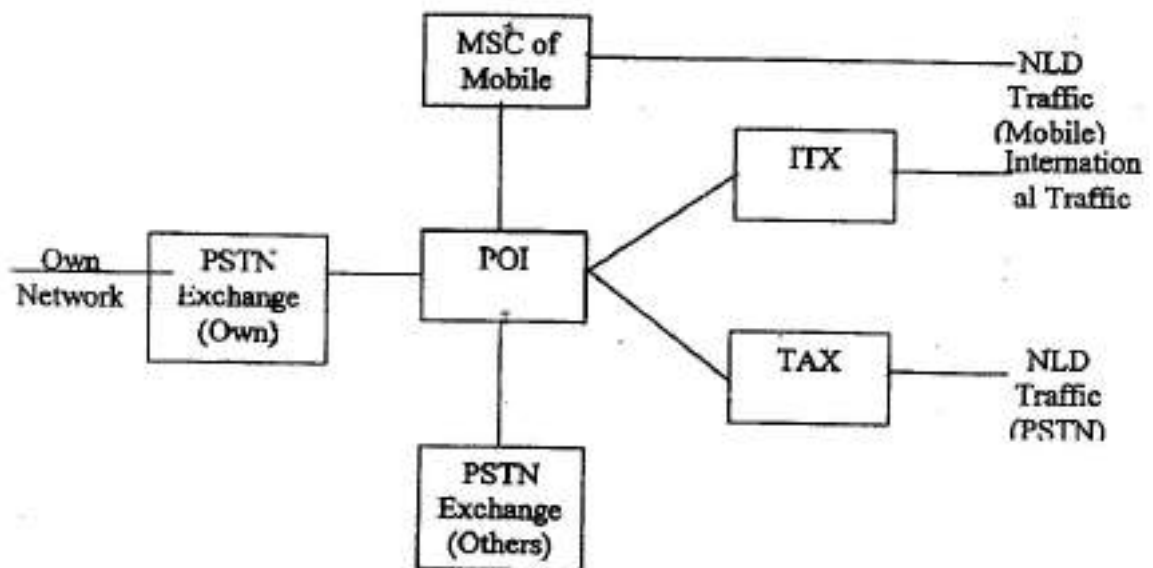
(b) **Customers Premises Equipment :**

Customers Premises Equipment includes fixed telephone sets, payphone/coin telephone sets, Cordless telephone sets (coverage area of upto 200 metres), providing value added service etc. of internationally accepted standards. The customers have the option to use the equipment of their choice.

(c) **Description of Interconnection arrangement with other Operators:**

The system will be connected to the Point of Interconnection (POI) of PSTN Operators (including BTTB), Cellular Mobile Operators or jointly operated POI through the circuits, owned or leased, using cables, optical fibres or radio transmission links. The long distance traffic from the POI will be routed to/from the International Trunk Exchanges (ITX) and the Trunk Automatic Exchange (TAX) of the Licenced Operators as well as the MSCs of the Mobile Operators on bilateral arrangement..

(d) **Schematic diagram for Interconnection and Call Routing arrangement:**



Schematic diagram for Interconnection

(c) **Technical and operational support facilities:**

The technical and operational support facilities for the system will be as follows

1. Operation and maintenance centre, for detection of faults, identification of the nature of faults and measures for remedial actions.
2. Customer service and administration centre to receive and attend to customers' complaints.
3. Billing and metering equipment within the switching unit for providing the billing data of the subscribers.
4. Directory information, enquiry and operator service by maintaining a customer/ subscriber information database.
5. Emergency services e.g Police, Fire, Ambulance/Hospital services.

The system as described above shall also include, without any prejudice to the generality of the conditions contained in the Licence and repugnancy to any of the provision of the Bangladesh Telecommunication Act, 2001, any addition or omission to be made by the Commission or with the approval of the Commission.



## SCHEDULE 3.2

(Article 5.01)

### Description of the Telecommunication Services to be provided by the Licencee .

The Licencee is authorized to provide through its PSTN system i.e fixed telephone system shown in schedule-3.1, the services which include the basic telephone services and other services and facilities from and to the Licenced zone through its own network.

The services include the provision of

- (a) Local calls
- (b) National long Distance calls
- (c) International Long Distance calls
- (d) Line and Terminal Rental
- (e) Transit Services for Traffic Originating from other Service Providers
- (f) Value added and supplementary services & facilities such as Short message service, Number portability service, Prepaid service, Fax service, Data service, Public Call offices, Voice Mail service, Toll free numbers, Caller identification , Call barring for local, national and international access, call waiting, Directory & operator assistance service, Call conferencing etc, associated with the basic PSTN services.

(The services which are obligatory as per Licence conditions and specifically mentioned by the Licencee in his application may be included) unless they are inconsistent or repugnant to the scope and definition of PSTN Services.

The terms and conditions applicable to specific Services are set out below:

- (a) **National Long Distance Dialling Services:** The Licencee may provide National Long Distance Dialling services to its subscribers in its Licencing area(s) and subscribers of other Licenced operators, after obtaining necessary interconnections from them.
- (b) **International Long Distance Dialling Services:**
  - (i) The Licencee may provide International Long Distance Dialling services to its subscribers in its Licencing area(s), through the international Gateways of the Bangladesh Telegraph and Telephone Board or other duly Licenced operators as the case may be.

- (ii) The Licencee shall not operate International Long Distance Dialling services between Bangladesh and any foreign destination unless the legislation and/or policies at that destination permits or does not prohibit the operation of such service.
- (iii) The Licencee shall provide the international call barring facilities to any subscriber who requests it, to prevent any unauthorised or fraudulent activation of International Long-distance Dialling services.

The services may be provided on a retail basis to end user subscribers and/or on a wholesale basis to other Licenced operators. The Licencee shall ensure that their subscribers do not use the services to resell or offer the same over the system, unless duly permitted by the Commission.

### SCHEDULE - 3.3

#### PRO-FORMA PERFORMANCE BANK GUARANTEE [Bank Letterhead]

[Date]

[Name of Bank] (Hereinafter called the Bank)

[Address]

To: The Bangladesh Telecommunication Regulatory Commission  
[Address]

Dear Sirs

#### PERFORMANCE BANK GUARANTEE

This Performance Bank Guarantee (hereinafter called the Guarantee) is issued pursuant to the conditions outlined in the Regulatory and Licencing Guidelines for invitation of proposals/offers for issuing licence to private operator for establishing, operating and maintaining of PSTN Fixed Telecommunication services in central zone No. BTRC/LL/central zone/PSTN(227)/2006-1916, date: 23.03.2006 by the Bangladesh Telecommunications Regulatory Commission (hereinafter called the Commission) under the Bangladesh Telecommunication Act, 2001. This Guarantee serves to secure the performance of the Licencee's obligations under the terms and conditions of the Licence.

The Bank hereby irrevocably guarantees and undertakes to pay to the Commission, any or all sums up to the amount stipulated in Form-1 and Form-2 annexed hereto and in accordance with the following terms and conditions:

- (a) payment shall be made by the Bank within 3 business days<sup>1</sup> of the receipt of any written demand by the Commission;
- (b) the written demand by the Commission is made substantially in the form in the annexed Form-2 and executed by an authorised representative of the Commission;
- (c) payment is made unconditionally and without reservation including the need for any reference to a third party or the Licencee and without the need for any evidence or proof;
- (d) payment is to be made in Taka by crossed cheque in favour of:  
The Bangladesh Telecommunication Regulatory Commission
- (e) in the event that the Bank fails to make payment as stipulated above, the

Bank shall pay interest at a rate of 1% above the monthly prime lending rate of the Sonali Bank in Bangladesh on any unpaid sum to the Commission until the date of payment.

This Guarantee is irrevocable and shall remain in force from the date hereof until terminated by written notice from the Commission.

<sup>1</sup> "Business days" in this guarantee refers to Fridays and public holidays gazette by the Bangladeshi Government and does not include holidays declared by the bank or association of banks.

The Bank shall not be discharged or released from its obligations under this Guarantee unless it has paid any or all sums up to the amount stipulated in Form-1 and Form-2 or the Licencee has achieved all its targets under terms and conditions of the Licence and this has been confirmed in writing by the Commission.

This Guarantee shall be governed and construed in accordance with the relevant laws of Bangladesh.

Signed by

\_\_\_\_\_

for and on behalf of:

\_\_\_\_\_

*Name of Bank*

Witnessed by:

\_\_\_\_\_

*signature*

\_\_\_\_\_

*Name*

\_\_\_\_\_

*Address*

\_\_\_\_\_

*date*



**FORM - 1**

The annual Access Lines in Service targets set by the Commission based on the plans submitted by the Licencee under the terms and conditions of the Licence are set out below:

<i>A</i>	<i>B</i>	<i>C</i>
<i>Year</i>	<i>Access Lines in Service</i>	<i>% of Total Rollout Target</i>
1	[----- minimum]	[33.33%]
2	[----- minimum]	[33.33%]
3	[----- minimum]	[33.340%]
<b>Total</b>	[----- minimum]	<b>[100%]</b>

Provided the Licencee has discharged all its obligations under the Licence and has met the targets set by the Commission, as determined solely by the Commission, the value of the Guarantee shall be reduced in the following manner:

<i>A</i>	<i>B</i>	<i>C</i>
<i>Year</i>	<i>% reduction in Guarantee<sup>2</sup></i>	<i>Guarantee Value (Taka)</i>
1	[33.33%]	[Taka 33.33 million]
2	[33.33%]	[Taka 33.33 million]
3	[33.34%]	[Taka 33.34 million]

Any reduction in the value of the Guarantee shall not have effect unless the Licencee has submitted a request for reduction in the form annexed and the Commission has confirmed in writing the reduction.

If the targets are not met, the Commission may call on this Guarantee for the amount indicated in column C above.

<sup>2</sup> this is equivalent to % of total rollout target for that year in column C above

FORM - 2

FORM FOR REDUCTION OF GUARANTEED AMOUNT

[Letterhead of Licencee]

[Date]

To: The Bangladesh Telecommunication Regulatory Commission  
[Address] House No. 10, Road No. 135, Gulshan-1, Dhaka-1212.

Dear Sirs,

**RE: REQUEST FOR REDUCTION IN PERFORMANCE BANK GUARANTEE**

This is with reference to the performance bank guarantee dated [ date ] (hereinafter called the Guarantee) issued by [Bank] on behalf of [Licencee].

We confirm that we have discharged all of our obligations under the Licence and have achieved the following target set by the Commission based on our plans submitted under terms and conditions of the Licence and as repeated hereunder:

<i>Year</i>	<i>Actual Access Lines in Service</i>	<i>Access Lines in Service Target to be Achieved by the Licencee</i>	<i>% Reduction in Guarantee</i>	<i>Guarantee Value (Taka)</i>
[ ]	[ ]	[ ]	[ ]	[ ]

We wish to request that the Guarantee be reduced accordingly.

[Name of authorised representative of Licencee]

for and on behalf of

[Licencee]

**FORM - 3**

[Letterhead of the Commission]

[Date]

To: [Name of Bank]  
[Address]

Dear Sir,

**RE: REQUEST FOR PAYMENT AGAINST PERFORMANCE BANK  
GUARANTEE**

This is with reference to the performance bank guarantee dated [ ] issued by you on behalf of [Licencee].

We wish to inform you that [Licencee] has failed to meet its obligations under the Licence.

Kindly let us have payment of the sum of [ ] in accordance with the terms and conditions of the performance bank guarantee.

[Name of Authorized Representative of the Commission]  
for and on behalf of  
Bangladesh Telecommunications Regulatory Commission

(2/02)

**SCHEDULE - 3.4**

**PROPOSED CHANGES TO THE SYSTEMS AND ADDITIONS/REDUCTIONS  
TO THE SERVICES**

[Letterhead of Licencee]

[Date]

[Name of Licencee] (the Licencee)

[Address]

To: The Bangladesh Telecommunications Regulatory Commission (the Commission)  
[Address] House No. 10, Road No. 135, Gulshan-1, Dhaka-1212.

Dear Sirs

**APPLICATION FOR PROPOSED CHANGES TO THE SYSTEMS AND  
ADDITIONS/REDUCTIONS TO THE SERVICES OFFERED BY THE  
LICENCEE FOR PSTN IN CENTRAL ZONE**

We refer to Schedule-3.1 (the Systems) / Schedule-3.2 (the Services) of the Licence for PSTN issued by the Commission to [Name of Licencee] on [date].

We would like to seek the Commission's approval for [a change to the Systems][an addition to/a reduction in the Services] indicated in the Licence, details of which are as follows:

[Adding a System / Service:

For additional Systems/Services, please state the following:

- (a) type of proposed new System/Service(s);
- (b) nature and details of proposed new System/Service(s);  
to include (if applicable):
  - means through which users gain access to the Licensor's Systems;
  - market served;
  - Systems/Services configuration;
  - telecommunication partners (if any);
  - technical support;
  - numbering requirements (if applicable)
- (c) reasons for the introduction;
- (d) proposed commencement date of the new System/Service(s);
- (e) whether the proposed System/Service will affect the equipment of other Licencees and if so, an explanation of the extent so affected;
- (f) whether the Licencee will be collecting monetary deposits and/or use pre-paid cards for the proposed Service(s);
- (g) supporting information/documents/schematics/drawings as annexure;
- (h) any other relevant information.]

[Removal of a System/Termination of a Service:

For a removal of a System or the termination of one or more Services, please state the following:





**Schedule - 3.5**  
**QUALITY OF SERVICE STANDARDS**

<i>Performance Indicator</i>	<i>After the 1<sup>st</sup> year of operation</i>	<i>After the 1<sup>st</sup> year of operation</i>	<i>After the 2<sup>nd</sup> year of operation</i>
Service blocking probability (wire line)	1%	1%	1%
Service blocking probability (wireless)	2%	2%	2%
Call Completion Ratio	95% or more	95% or more	99% or more
Faults per 100 lines per month	10	5	3
Faults cleared by the next working day	60%	70%	80%
Faults cleared by third working day	80%	90%	95%
Service Provisioning Interval - the number of days required to provide service from the date of the customer's request	90% or more completed within 10 working days.	90% or more completed within 10 working days.	90% or more completed within 10 working days.
Installation Appointment - the total number of installation appointments booked and the number met	70% or more	85% or more	95% or more
Percentage of outstanding requests for telephone services not met because of facility shortages	10% or less	7% or less	5% or less
Percentage of calls to a business office answered in 20 seconds or less	60% or more	70% or more	80% or more
Installation appointments with other service providers met	80% or more.	90% or more.	99% or more.
On-time activation of service switched to other service providers (with both parties agree)	80% or more.	90% or more.	95% or more.
Percentage of out-of-service trouble reports and those cleared within 24 hours;	60% or more	70% or more	80% or more
Repair appointments met	80% or more	90% or more	95% or more
Initial customer trouble reports indicating improper functioning of service	10% or less.	7% or less.	5% or less.
Percentage of calls to a repair bureau answered in 20 seconds or less	60% or more	70% or more	80% or more
Percentage of attempted calls during the busy hour experiencing dial tone delay of one seconds or less (wire line network only)	95% or more.	97% or more.	98% or more.
The percentage of customer complaints that have not been satisfied within 10 working days	10% or less	10% or less	5% or less

3/20

**SCHEDULE – 3.6**

**TABLE OF PENALTIES FOR NON-COMPLIANCE WITH QOS**

<b>Target</b>	<b>Penalty</b>
Failure to achieve required Blockage Probability (Wire line)	Maximum taka 0.5 million each month after the first anniversary of the Effective Date of Licence not for maintaining the applicable target in Schedule – 3.5.
Failure to achieve required Blockage Probability (Wireless)	Maximum taka 0.5 million each month after the first anniversary of the Effective Date of Licence not for maintaining the applicable target in Schedule – 3.5.
Failure to achieve required Call Completion Ratio	Maximum taka 0.5 million each month after the first anniversary of the Effective Date of Licence not for maintaining the applicable target in Schedule – 3.5.
Failure to achieve required maximum Faults per Line	Maximum taka 0.5 million each month after the first anniversary of the Effective Date of Licence not for maintaining the applicable target in Schedule – 3.5.
Failure to achieve required fault clearance by next working day	Maximum taka 0.5 million each month after the first anniversary of the Effective Date of Licence not for maintaining the applicable target in Schedule – 3.5.
Failure to achieve required fault clearance by third working day	Maximum taka 0.5 million each month after the first anniversary of the Effective Date of Licence not for maintaining the applicable target in Schedule – 3.5.

*Retain*

APPENDIX - 4  
APPLICATION INFORMATION  
ON  
OPERATOR LICENCE  
for  
PSTN OF CENTRAL ZONE

1. This form is for the application for a PSTN licence (*Licence*) for the purposes of establishing a PSTN system and providing the following services as a minimum over such system:

- (a) Local Calls
- (b) National Long Distance Dialing
- (c) International Long Distance Dialing
- (d) Line and Terminal provision
- (e) Transit Services for Traffic Originating from other Operators
- (f) Number Portability Service
- (g) Value Added Services
- (h) Caller ID in CPE
- (i) Called party paid i.e 1-800 number etc..

2. Applicants are required to indicate all other proposed voice, data or other services over the proposed PSTN system whether at a retail or wholesale level consistent with the goals and objectives of the Commission as further detailed in the document entitled **Licencing and Regulatory Guidelines** (*Guidelines*). Applicants are reminded of the need to observe prevailing laws and regulations as to the types of services that may be provided over their proposed PSTN systems and the manner of their provision. An outline of these requirements is included in the Guidelines.

3. Unless otherwise indicated, all sections in the application form must be completed together with the supporting affidavit in Schedule-5.2. The completed application form and any supporting documents required should be sent to the address of the Commission in triplicate, together with one set of USB pen drive 256MB & one in CD containing the application. Applicants should use at a minimum MS Word 2000 or PDF and MS Excel 2000 for their text and spreadsheets. The application form and all supporting documents must be in English. In the event that any documents are in another language, then an English translation, certified as to its accuracy by a duly qualified translator, must be provided together with a copy of the document in the original language. All copies of original documents e.g. certificates of incorporation, must be certified as true copies by the embassy of owner country and a notary public.

4. The application must be made only by the applicant's authorized personnel. The Commission reserves the right to reject the application if it is found that the information or documents provided for in this application are untrue, inaccurate or incomplete.

5. Each applicant is required to pay a non-refundable application fee to assist in covering Commission's costs of processing the application at the point the application is submitted. The application fee shall be *Taka* 10 million to be payable in the form of a pay order/Bank draft in favor of BTRC at the submission of the application and shall be refundable in case the application is rejected.

6. The applicant shall pay within 30 calendar days of being notified by the Commission of its approval of the application, as a non-refundable license acquisition fee of Taka 150 million.

7. The grant of the Licence shall be conditional on the payment of the license acquisition fee and any other relevant fees specified by the Commission.

8. All other fees and any performance guarantee for the PSTN Licence shall be as set out in the Licence. Further details on current fees and any guarantees are available in the Guidelines. A separate application for radio spectrum will be required where any part of the proposed PSTN system or services will be using radio spectrum. Applicants will not be allowed to use cellular radio frequency as this is subject to a separate Licencing regime. A copy of the radio spectrum application form is available from the Commission on request. Fees and charges prescribed by the Commission shall be payable.

9. The national numbering plan should be done by BTRC as early as possible and the National Signalling Point Codes Plan for SS7 is done by BTRC, BTRC will give the allotment of numbering & signalling point codes when need to operators.

10. The application processing fee, licence fees and other fees payable in connection with this application and the PSTN Licence shall be paid by way of a cheque crossed *A/C Payee Only* and made in favour of the *Bangladesh Telecommunication Regulatory Commission*. All payments must be made in Taka at the due date for payment.

11. Applicants who intend to collect money deposits and/or use prepaid cards for collection of payments from their customers (other than credit cards) shall submit their Licence applications with either a letter of intent from a bank stating that the bank is able to issue a Banker's Guarantee of Taka 40 million to the Commission within 30 days from the date of the Licence or such other documents as may be acceptable to the Commission. Thereafter, the Commission shall issue the PSTN Licence to allow the applicant to provide prepaid services in accordance with the terms and conditions set out therein, or as may be amended by the Commission from time to time.

12. For the purposes of this paragraph 11, the bank shall be on a list to be publicized by the Commission. The list of banks may be amended from time to time in the discretion of the Commission.

13. Approval of the application will be at the sole discretion of the Commission, which reserves the right either to accept or reject any application submitted. The Commission shall decide on the application and expects to inform the applicant of its decision within approximately 12-15 weeks from submission of the application, but in any event, within 180 days from submission of the application, provided that the applicant has furnished all of the necessary information in its application. The Commission may notify the applicant within 30 days of making its decision. In the case of an unsuccessful application, the Commission may inform the applicant the reasons as to why its application was unsuccessful.

14. Consideration for approval of the application shall be based on information declared in the application form. Where it thinks fit, the Commission may seek clarification or request additional information from any party arising from the application.

15. The Commission reserves the right to disclose the identities of parties who have submitted applications including the composition of the investors or associates. A list of PSTN Licencees may also be published. Such publication may include posting on a designated website by the Commission. The Commission reserves the right to disclose any information submitted by

applicants where the Commission deems necessary for purposes of clarifying the licences awarded. All other information will be treated in confidence.

16. *Checklist of Documentation with Application:* Applicants are reminded that the following items must be provided with all Applications. Full details are in the Application Form. This is only a checklist for reference:

- Certified true copies of constitutional documents for corporate applicants, partnerships or other organizations or in respect of unincorporated consortia the equivalent documents for the members of the consortia. Alternatively, identification documents for individual applicants.
- The applicant/offerer will submit 3 (three) copies of its application/offer with all connected/relevant papers/documents of which 01(one) will be original while the remaining 02 (two) will be copies.
- Certified true copies of share certificates demonstrating ownership interest in applicant and in shareholders of applicant.
- Current and proposed financial information including capital expenditure plans, budgets and other financing plans for first 3 years.
- Bankers' confirmation re: financing or equivalent documents in support of financing plans.
- Audited financial information for the last 3 financial years for all applicants and the same information in respect of their key shareholders or investors. For individuals, the tax returns for the last 3 tax years and audited personal asset statement.
- Most recent interim financial results and management accounts for applicant and its key shareholders/investors.
- Organization, business and implementation plan for 3 years.
- Track Record - Details of all relevant expertise of applicant and/or investors, partners, associates or consortium members
- Management and Key Executives - Details of personnel (with curricula vitae)
- Technical Plans - Details of proposed network infrastructure, configuration, interconnection, security, technologies and roll-out plans for 3 years, service standards and numbering requirements.
- Strategy and Marketing - Details of proposed services, customer support systems and procedures and market strategy
- Application Fee
- Filling up the Application Form and to submit the supporting documents according to the evaluation criteria.

Completed radio frequency spectrum application form, if relevant, and all supporting materials and fees required under that application form.

Adm

**APPENDIX – 5**

**BANGLADESH TELECOMMUNICATION REGULATORY COMMISSION**

**GENERAL APPLICATION**

**[Section 36(5) of the Act]**

for Operator Licence of

**PSTN CENTRAL ZONE**

**Information Requirements:**

Sl no.	Required information	Information furnished/compliance
01	<p><b>Identity of Applicant/offerer</b> Name of Company/firm/Partnership/Consortium/Society as the case may be.</p>	
02	<p><b>Business Address and Registered Office Address</b> Telephone number, facsimile number, E-mail and Website details.</p>	
03	<p><b>Business or Company's Registration No.</b></p> <p>For applicants/offerers that are corporations, include/ submit copies of constitutional documents and certificate of incorporation/ registration or other equivalent documents.</p> <p>If applicant company/operator is in the name of a consortium which includes one or more corporate members or partnerships, include/submit documents for each corporate member or partnership as applicable.</p> <p>If applicant/offerer company/operator is a partnership, provide copy of partnership deed or equivalent.</p> <p>If applicant/offerer is a society or other organisation, provide rules of society or equivalent documents.</p> <p>If the applicant/offerer is Bangladeshi Company/firm, provide documents of registration with the registrar of of Joint Stock Companies and Firms, as well as with the concerned chamber of commerce and industries or equivalent and also submit a certificate of Income Tax paid for the year 2004-2005.</p> <p>If the applicant/offerer is foreign company/firm, provide documents of registration with the Registrar of Joint Stock Companies and Firms or equivalent as well as with the concerned chamber of commerce and industries or equivalent, in those countries. Copies of the certification of registration as well as a certificate of Board of Investment, Bangladesh regarding the investment to be made should be submitted with the proposal/offer.</p>	

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04	<p><b>Contact Person's Name and Position</b></p> <p>The person should be an appropriate senior level individual i.e. Chairman, Managing Director, Chief Operating Officer, Chief Executive Officer, Chief Technical Officer, preferably based in Bangladesh, who would be an appropriate point of contact for general and/or technical enquiries.</p>	
05	<p><b>Contact Person's Passport No. and Country of Issue</b></p>	
06	<p><b>Contact Number of the applicant/offerer</b> (Telephone, Mobile, Facsimile and E-mail)</p>	
07	<p><b>Applicant's Principal Business Activities and Principal Activities in Bangladesh.</b></p> <p>(If applicant is an unincorporated consortium, provide equivalent information in respect of each consortium member.</p> <p>If applicant is a partnership, society or other organization with no current business operations, provide equivalent information in respect of partners, members or other investors or associates supporting the application.)</p>	
08	<p><b>Applicant's/offerer's Corporate Structure, if incorporated</b></p> <p>Include full details of parent company, other shareholders and ultimate ownership (with copies of share certificates in support of evidence ownership interest. Also, where applicable, subsidiaries and other interests of the group in Bangladesh and abroad. Details of board of directors, key personnel and management structure.</p>	
09	<p><b>Applicant's/offerer's Structure, if not incorporated</b></p> <p>If a partnership, provide full details of partners and ultimate owners of partners, if applicable. Provide details of management structure.</p> <p>If an unincorporated consortium, provide full details of consortium members (including shareholders and ultimate ownership). Provide details of directors, key personnel and management structure of consortium members.</p>	
10	<p><b>Financial Information</b></p> <p>Applicant/offerer must demonstrate that the applicant/offerer is in a sound financial position to provide sufficient working capital for construction and deployment of the Cellular Mobile Project that the applicant/offerer is proposing including both the applicant's/offerer's network and services over the period of the project.</p>	



11	<p><b>Audited Financial Statements and other Historical Information</b></p> <p>Include audited financial statements for the applicant/offeree for the last 3 years and for all shareholders or consortium members, as applicable. Audited financial statements should include balance sheets, profit and loss accounts, cash flow statements and auditors' reports.</p> <p>Provide equivalent audited historical financial information in the case of a partnership or society.</p> <p>Include latest interim results and/or management accounts for applicant/offeree and its Key Stakeholders (unless an individual) and details of current paid-up capital from all investors.</p>	
12	<p><b>Project Cost</b></p> <p>Include information on the following aspects of network roll-out, pre-operating expenses, detailed capital costs, allowances for escalation during the construction period, contingency allowances, interest during the construction period and initial working capital.</p>	
13	<p><b>Financial Plan</b></p> <p>Identify amount and sources of all equity, long term loans and working capital required to finance the project cost.</p> <p>Include documentary evidence to substantiate applicant's/offeree's financial ability to support the planned capital expenditure and operations e.g. bankers' confirmation of deposits/and or available credit facilities, letters of intent, guarantor documents.</p>	
14	<p><b>Pro-forma Financial Projections</b></p> <p>These should be provided for at least the first 3 years from the date of issue of the licence, together with a clear identification of all assumptions including major pricing and cost assumptions. Include budgeted profit and loss statements, balance sheets and cash flow statements. All projected financial statements are to be prepared consistent with past audited statements of the applicant/offeree, if applicable.</p>	
15	<p><b>Organisational Structure</b></p> <p>Furnish a written narrative outlining the applicant's/offeree's proposed organization, management and support, both inside and outside Bangladesh to carry out the project, its business plan and proposed approach to implementing the project. The proposed organisation plan, management, business and implementation plan must address the first 3 years after the date of issue of the licence and should include the following three project phases:</p> <ul style="list-style-type: none"> <li>(i) Pre-construction/Financing Phase;</li> <li>(ii) Construction/Start-up / Commissioning Phase;</li> <li>(iii) Operation and Maintenance Phase.</li> </ul>	

16	<p><b>Relevant Project Development Expertise</b></p> <p>Indicate successful project development experience in at least one similar telecommunications project to the one the applicant/offerer is applying for</p>	
17	<p><b>Relevant Project Ownership Experience</b></p> <p>Demonstrate any ownership interest in any similar project in a developed or developing country and any ownership interest of similar telecom projects and provide details of any such telecommunications facilities.</p>	
18	<p><b>Personnel Qualification and Project Implementation Plan</b></p> <p>(In the event of applicant having sufficient experience in telecom. operation and currently capability to manage and administer the financing, design, engineering, construction and operation of the project based upon qualified personnel who will be made available to the project to fill key positions including those specified in the attached Schedule – 5.1. at page 61 Please include curricula vitae in respect of such personnel.)</p>	
19	<p><b>PSTN Services Applied for</b></p> <p>(PSTN services cover the collection, transport, transmission and delivery of two-way switched voice and data message communications (<i>traffic</i>) between two fixed points from and to a designated PSTN serving area within Bangladesh and outside of Bangladesh through the network of the Bangladesh Telegraph and Telephone Board. It also covers the provision of transit services for traffic originating from other service providers.</p> <p>At a minimum, the PSTN services to be provided by the applicant must include:</p> <ul style="list-style-type: none"> <li>(a) Local Calls</li> <li>(b) National Long Distance Dialing (NLD)</li> <li>(c) International Long Distance Dialing (ILD)</li> <li>(d) Line and Terminal</li> <li>(e) Transit Services for Traffic Originating from other Operators</li> <li>(f) Number Portability Service</li> <li>(g) Caller ID Facilities</li> <li>(h) Value Added Service</li> <li>(i) Called party pay i.e 1-800 number</li> </ul> <p>In addition to the minimum voice services above, indicate all other proposed voice, data or other services using the PSTN network at either the retail or wholesale level including all supplementary services.)</p>	

20	<p><b>Collection of Monetary Deposits and/or Use of Pre-paid Cards for Collection of Payments from their Customers (other than credit cards)</b></p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No*</p> <p>Note: * If "No", there is no need to submit the Banker's Guarantee of Taka 40 million upon notification by the Commission. However, should the Licencee subsequently decide to collect monetary deposits and/or to use pre-paid cards for collection of payments from its customers, the Licencee must notify the Commission and submit the Banker's Guarantee accordingly.</p>
21	<p><b>Competition Strategy</b></p> <p>Describe how and with what services the applicant/offerer proposes to compete in the Bangladesh market and how the applicant's/offerer's operations will contribute to the development of telecommunications in the country consistent with the Bangladesh Telecommunications Act, the National Telecommunications Policy and the published Goals and Vision of the Commission.</p>	
22	<p><b>Proposed Technology</b></p> <p>Indicate and explain the choice of the relevant network technologies to be used for switching, transmission and local access to deliver proposed services.</p>	
23	<p><b>System Configuration and Operation</b></p> <p>Describe the technical and operational systems configuration for the proposed services and how the systems will be connected with other networks/systems, and/or other operators' networks/systems overseas. Include network management capabilities, routing and transmission plans, signaling plan and diversity plan.</p> <p>Provide details of proposed network facilities such as exchanges, land lines, cable ducts, any frequency spectrum to be used and associated infrastructure.</p> <p>Indicate planned geographical coverage on launch and network or roll-out plans and commitments for network expansion and improvements to infrastructure. Include supporting timetable and details of strategy to support roll-out for at least the first 3 years from the date of issue of the licence. Show the plans and strategy for both the Urban and Rural segments of the market.</p> <p>Provide information on proposed network performance including minimum standards, network security and protection.</p> <p>Provide information on proposed customer support systems and procedures.</p>	
24	<p><b>Signalling details</b></p> <p>The signaling arrangement of the system as well as its inter-working with all existing operators is to be stated.</p>	

25	<p><b>Details of maintenance service</b> Full details of maintenance service facilities, capabilities, support service, quality assurance, maintenance plan and philosophy etc. are to be furnished.</p>	
26	<p><b>Numbering Requirement</b> (Request for numbering plan with justification in multi- exchange environment and multi-services. Allocation of the numbering will be subject to availability)</p>	
27	<p><b>The application fee</b> The application fee to be payable by Pay Order/Bank Draft to the Commission at the time of submission of the application and shall be refundable in case the application is rejected. (ref. page 13)</p>	
28	<p><b>The licence acquisition fee</b> The licence acquisition fee to be paid in one instalment on or before the date of issue of the licence and is non-refundable. (ref. page 13)</p>	
29	<p><b>Annual licence renewal fee</b> Annual licence renewal fee to be paid annually (on the anniversary) on or before the date of issue of licence. (ref. page 13)</p>	
30	<p><b>Performance Bank Guarantee</b> Performance Bank Guarantee (PBG) to be submitted for the roll out plan period i.e three years in a prescribed form on or before the date of issue of the licence (prescribed form at appendix-3, Schedule 3.3, page 41). (ref. page 13)</p>	
31	<p><b>Gross Revenue sharing</b> The licensee/operator will pay to BTRC a sum equivalent to 4% (four percent) of the Licencce's annual audited gross turnover, on a quarterly basis. In case of any change decided upon by the BTRC regarding revenue sharing, such change shall be applicable to the licensee/operator also. (ref. page 13)</p>	
32	<p><b>Optical fibre network with stand by MW Network</b> To be established an optical fibre network with standby microwave network in the central zone. (ref. page 13)</p>	
33	<p><b>System erlang per subscriber</b> The system should be capable to handle a minimum traffic of 50mErlang per subscriber for smooth call processing. (ref. page 13)</p>	
34	<p><b>Roll Out Plan</b> The Roll Out Plan proposal to be furnished by applicants/offerees in detail (ref. page 13, 14 &amp; appendix-3 at page 41- 43).</p>	

35	<p><b>Tariff proposal</b></p> <p>i. Charge for local call per minute The offer should contain specific proposal for local call charge per minute.</p> <p>ii. Charge for NWD/STD call per minute The offer should contain specific proposal for NWD/STD call charge per minute.</p> <p>iii. Charge for IDD/ISD call per minute The offer should contain specific proposal for IDD/ISD call charge per minute. (ref. page 13 &amp; 14)</p>	
36	<p><b>Proposal for monthly line rent</b></p> <p>The offer should contain specific proposal for monthly line rent. (ref. page 13 &amp; 14)</p>	
37	<p><b>Proposal for connection charge</b></p> <p>The offer should contain specific proposal for connection charge i.e one time fixed amount to be paid to the Licensee/Operator by the subscriber for the telephone connection. (ref. page 13 &amp; 14)</p>	
38	<p><b>Value added Services without any extra charges</b></p> <p>The offer should contain specific proposal of value added services to be provided to the subscribers. It should also indicate and specify the value added services that would be offered to the subscriber free of charge (ref. list at annexure-1, of page-16, ref. page 13 &amp; 14)</p>	
39	<p><b>PSTN Licence in different zone</b></p> <p>The offer should contain the description of having PSTN Zonal Licences. (ref. page 13 &amp; 14)</p>	
40	<p><b>Commencement of Operation in 4 Zonal areas</b></p> <p>The offer should contain the description of commencement of operation of existing PSTN Zonal Licences (ref. page 13 &amp; 14)</p>	
41	<p><b>Number of Subscriber connection</b></p> <p>The offers should contain the existing number of subscribers connection after being awarded the zonal PSTN Licence. The applicant/offerer shall be submitted the list of subscriber upto 30<sup>th</sup> April, 2006, backed up by the form filled by the subscribers with the application/offer. (ref. page 13 &amp; 15)</p>	
42	<p><b>Installed Microwave (MW) backbone Network</b></p> <p>The offer should contain the description of built/established microwave backbone network after being awarded the Zonal PSTN Licence. (ref. page 13 &amp; 15)</p>	

	<p><b>B. Selection Criteria</b> <b>(ii) Operators performance against PSTN zonal licence already granted</b></p> <p>Sl. no. 04: Length of Installed Microwave backbone network (page 13 of 63 and 15 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers).</p>	In addition to Length of Installed Microwave backbone network, Length of Installed optical fiber back bone network and capacity of both network will be equally considered.
	<p><b>B. Selection Criteria</b> <b>(ii) Operators performance against PSTN zonal licence already granted</b></p> <p>Sl. no. 05: Number of Base Transceiver stations (BTS) installed (page 13 of 63 and 15 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers).</p>	In addition to Number of Base Transceiver stations (BTS) installed, Installation of Access Network and capacity of both Network will be equally considered.
	<p><b>B. Selection Criteria</b> <b>(ii) Operators performance against PSTN zonal licence already granted</b></p> <p>Sl. no. 06: Number of Local Exchanges Installed (page 13 of 63 and 15 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers).</p>	In addition to number of local exchanges installed, number of all installed exchanges and the capacity will be considered.
3.	Clause 8.09: (page 27 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers).	In clause 8.09, in the 3 <sup>rd</sup> line (page 27 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers) Taka 50 million will be replaced by Taka 40 million.
4.	Schedule 3.5: Quality of service standards (page 48 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers).	In page 48 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers under Performance Indicator for the 3 <sup>rd</sup> and 4 <sup>th</sup> columns in the column head will be replaced by "After the 2 <sup>nd</sup> year of operation" and "After the 3 <sup>rd</sup> year of operation" respectively.
5.	Appendix-5, Sl. no. 10: Financial Information (page 54 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers)	In Appendix-5, Sl. no.-10, in the 3 <sup>rd</sup> line (page 54 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers) "Cellular Mobile Project" will be replaced by "PSTN services project".
6.	Sl. no. 12: Universal Service Obligations (page 11 of 63 and clause 8.10 of page 27 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers).	Universal Service Obligations in the Rural and Sparsely populated areas for the Central Zone will be defined in the Licence.
7.	Appendix-2, Table-4, Sl. no. 1 and Sl. no. 03 (page 21 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offers)	Charges and Licence Fees on Fixed Wireless Telephone only will be Tk. 300.00 instead of Tk. 1100.00. While charges and Licence Fees of other categories of Radio Communication Equipment will remain the same as before.

2. Any information given by any applicant/offerrer which is not true and correct will make the applications/offers liable to be rejected without assigning any reason.

3. The above modifications will form a part of the "Regulatory And Licencing Guidelines For Invitation Of Proposals/Offers" issued vide no. BTRC/LL/Central Zone/PSTN (227)/2006-1916, dated 23-03-2006.

43	<b>Number of BTS Installed</b> The offer should contain the number of Base Transceiver Station (BTS) installed after being awarded the zonal PSTN Licence. (ref. page 13 & 15)	
44	<b>Number of local exchanges installed</b> The offer should contain the number of local exchanges installed after being awarded the zonal PSTN Licence. (ref. page 13 & 15)	
45	<b>Particulars of disqualifications envisaged under Section 36(3) of the Act, 2001</b> Whether the applicant/offerer was refused licence earlier. If so, please give particulars thereof. Whether the licence of the applicant/offerer was cancelled anytime during the preceding 5 (five) years. If so, please give the particulars thereof (the prescribed affidavit form at annexure-5 (page 62 to 63)).	

We/I declare that all the information furnished in this application form is true and correct. I understand that approval from the Commission for this application is based on information as declared in this application. Should any of the information declared be incorrect, any licence granted by the Commission may be cancelled.

We/I also declare that we/I have read, understood and undertake to comply, with all of the terms and conditions outlined or referred to in the Commission document entitled *Regulatory and Licencing Guidelines for invitation of proposals/offers for issuing zonal licence to private operator for establishing, operating and maintaining PSTN services in central zone* and those terms and conditions included in the licence to be issued to us/me if this application is approved by the Commission.

\_\_\_\_\_  
*Name/Company Stamp*

\_\_\_\_\_  
*Date*

*(Signature)*

## SCHEDULE - 5.1

### EXPERIENCE OF KEY PERSONNEL

1. Current capability to manage and administer the financing, design, engineering, construction and operation of the project based upon qualified personnel who will be made available to the project to fill the positions listed below:

Position	<i>Total Experience, Minimum</i>	<i>as Manager of Telecom sector, Minimum</i>
Chief Executive	20 years	10 years
Project Manager	20 years.	5 years
Operations Manager	15 years	5 years
Engineering Manager	15 years	5 years
Finance Manager	10 years	3 years

2. In lieu of the above, the applicant may associate with or engage a reputable legal, financial advisor, project management, construction and engineering firm with an acceptable background to provide the required technical capability for the first three years of the project. Names and details of such associates should be provided for the purposes of Schedule - 5.1.



SCHEDULE - 5.2

AFFIDAVIT

The undersigned, \_\_\_\_\_, of legal age, and  
residing at

(Name of Official/Individual applicant/offerer)

\_\_\_\_\_ after having been duly sworn deposed states:  
(Address)

1. That he/she is the

\_\_\_\_\_ (Official Capacity)

of

\_\_\_\_\_ (Name of company/corporation/partnership/society/individual (the Applicant/offerer))

duly organized under the laws of \_\_\_\_\_ (Name of Country)

OR

That he/she is the applicant/offerer for the licence referred to below (the Applicant/offerer), a citizen of

\_\_\_\_\_ (Name of Country)

2. That personally, and as \_\_\_\_\_ for and on  
(Official Capacity)  
behalf of the Applicant/offerer he/she hereby certifies:

- a) That all statements made in the Applicant's/offerer's application for a licence to establishing, operating, maintaining of PSTN fixed Telecommunication Services and in the required attachments to that application are true and correct;
- b) That this certification is made for the expressed purpose of an application by.....for PSTN fixed Operator Licence from the Bangladesh (name) Telecommunication Regulatory Commission.;

*Am*

- c) The Applicant/offeree will make available to the Commission or any other of its authorized agencies any information they may find necessary to verify in the application or regarding its competence and general reputation;
- d) That the Applicant/offeree has not had any licence cancelled by the Commission or any of its predecessors at any time during the last 5 (five) years and the owner of the Applicant/offeree or any of its directors or partners (where the Applicant/offeree is a company, corporation, partnership or society):
- (i) is not an insane person;
  - (ii) has not been sentenced by a court under any law, other than the Bangladesh Telecommunication Act 2001 (Act), to imprisonment for a term of 2 (two) years or more, other than sentences where a period of 5 (five) years has elapsed since his/her release from such imprisonment;
  - (iii) has not been sentenced by a court for commission of any offence under the Act other than sentences where a period of 5 (five) years has elapsed since his/her release from imprisonment;
  - (iv) has not been declared bankrupt by the court and has not been discharged from the liability of bankruptcy; or
  - (v) has not been identified or declared by the Bangladesh Bank or by the court or by a bank or financial institution as a defaulter loanee of that bank or institution.
- e) That the undersigned is the applicant/offeree or is duly authorized by the Applicant/offeree to make these representations and to sign this affidavit.

*Director/Secretary/Partner/Duly Authorised Representative/Attorney/Individual  
as or on behalf of the applicant/offeree*

WITNESSES

1. \_\_\_\_\_ 2. \_\_\_\_\_

subscribed and sworn to before me

this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_

\_\_\_\_\_  
Notary Public

### Distribution of marks for selection

Sl no.	Name of criteria	Marks
01	<b>Roll out plan</b>	15
02	<b>Tariff proposal</b> a. Charge for local call per minute b. Charge for NWD/STD call per minute. c. Charge for IDD/ISD call per minute	05 05 05
03	<b>Proposed monthly line rent</b> A fixed amount of charge will be paid to the licensee/operator each month by the subscriber for the telephone connection irrespective of the use of telephone.	05
04	<b>Proposed connection charges</b> A one time fixed amount to be paid to the licensee/ operator by the subscriber for the telephone connection.	05
05	<b>Number of value added services to be provided without any extra charge</b>	03
06	<b>Number of PSTN licence in different zones</b> The applicant/offerer having PSTN licence for 4 zones will be given preference.	16
07	<b>Commencement of operation in 4 zonal areas</b>	06
08	<b>Number of subscriber connections given</b>	24
09	<b>Length of installed Microwave backbone network</b>	03
10	<b>Number of acquired BTS installed</b>	04
11	<b>Number of Local exchanges installed</b>	04

**Total= 100**

If two or more applicants have the same marks preference for selection will be given on the following basis.

Number of subscriber connections given>Roll Out Plan> Commencement of operation in 4 (four) zonal areas Number of Zonal PSTN Licences.

**Modification/Amendment/Change in the Regulatory And Licencing Guidelines For Invitation Of Proposals/Offeres cosequent to the Pre-offer/Pre-bid meeting on the subject on 10<sup>th</sup> of April 2006 in the BTRC.**

The following Modification/Amendment/Change are made in the Regulatory And Licencing Guidelines For Invitation Of Proposals/Offeres cosequent to the Pre-offer/Pre-bid meeting in the BTRC on 10<sup>th</sup> of April 2006.

	Original	Modification/Amendment/Change
1.	<p><b>A. Eligibility criteria</b>  <b>Sl. no. 02: Licence Acquisition fee</b>                      (page 13 of 63 and clause 7.02 of page 26 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offeres).</p>	<p>Licence Acquisition fee will be Tk. 120 million instead of Tk. 150 million.</p>
	<p><b>A. Eligibility criteria</b>  <b>Sl. no. 05: Gross Revenue Sharing</b>                      (page 13 of 63 and clause 7.02(b) of page 26 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offeres).</p>	<p>Gross Revenue sharing will be 3% instead of 4%.</p>
2.	<p><b>B. Selection Criteria</b>                      (i) Operators proposal for roll out and different charges   <b>Sl. no. 02, 03 and 04: Tariff proposal, Proposed monthly line rent and Proposed connection charges</b> (page 13 of 63 and 14 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offeres).</p>	<p>Tariff proposal, Proposed monthly line rent and Proposed connection charges cannot be revised upwards for 1 (one) year from the date of issue of Licence. Thereafter i.e., after completion of 1 (one) year from the date of issue of Licence, any upward revision of the tariff and charges may be made subject to the approval of the BTRC.</p>
	<p><b>B. Selection Criteria</b>                      (ii) Operators performance against PSTN zonal licence already granted   <b>Sl. no. 03: Number of Subscriber connections given</b> (page 13 of 63 and 15 of 63 of the Regulatory and Licencing Guidelines for Invitation of Proposals/Offeres)</p>	<p>During evaluation for assesment of the number of subscriber connections given, the duly filled in subscriber connection forms with the given telephone numbers will constitute the fundamental and main basis of the assesment. For this purpose the number of active subscriber connections and the number of subscriber connections not active will have to be specifically and clearly mentioned by the applicants/offerers. The active subscriber connections will mean subscriber connections with given telephone numbers, which are currently in use and consequently for which call charges (like Local/NWD/IDD calls) are being made. Subscriber connections not active will mean subscriber connections with given telephone numbers, which are not currently in use and consequently for which call charges (like Local/NWD/IDD calls) are not being made. 90% weightage will be given in the evaluation for active subscriber connections as defined above, while only 10% weightage will be given for subscriber connections that are not active as defined above.</p>