

Nepal Telecommunications Authority  
An Introduction

2004

### **Editorial Board**

- |    |                        |             |
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| 6. | Mr. Sandip Adhikari    | Member      |

With special thanks to Mr. Udaya Raj Regmi for the English translation

**Annex - 6**

**List of Acts and Rules related to Nepal Telecommunications Authority**

1. Telecommunications Act, 1996
2. National Broadcasting Act, 1992
3. Telecommunication Corporation Act, 1971
4. Radio Act, 2057
5. Consumer Protection Act, 1997
6. Telecommunication Regulation, 1997
7. Radio Communication (License) Regulation, 1992
8. National Broadcasting Regulation, 1995
9. Consumer Protection Regulation, 1999
10. National Communication Policy, 1992
11. Long Term Policy of Information and Communication Sector, 2002
12. Telecommunication Policy, 2004
13. ITU Radio Regulation

**Foreword**

For facilitating the socio-economic development of the country by involving the private sector also, thereby creating a favourable environment for making a reliable telecommunications service accessible to all at a affordable cost, the Nepal Telecommunications Authority, an autonomous regulatory body established in the year 1998 in accordance with the aim of the Telecommunications Policy, has many tasks to perform. Till now it is felt by the public that the Authority is just a license issuing institution. The authority is trying to make at least the basic telephony accessible to all rural areas, fulfill the demand of various services in the urban areas in accordance with the technological development, bring improvement in the quality of service and make the service charge for the services used simple and cheap without hampering the rate of return for the investment.

It is natural for me to be pleased for bringing into publication this **“Nepal Telecommunications Authority – An Introduction - 2004”** with the aim of disseminating to all concerned with regard to the successful implementations of the main clauses in the Telecommunications Policy by the Authority as encompassed within the Telecommunications Policy, introduction of the various services, the up to date work description, the structure of the Authority, the description of the license issued etc. It is hoped that this publication has been able to assist the readers to some extent in the dissemination of the information. I thank all those in the publication committee who have put in enormous efforts to produce this booklet.

June 24, 2004

**Suresh Kumar Pudasaini**

Chairman

Nepal Telecommunications Authority

television, or the Internet. The digital divide exists between those in cities and those in rural areas. For example, a 1999 study showed that 86% of Internet delivery was to the 20 largest cities. The digital divide also exists between the educated and the uneducated, between economic classes, and, globally, between the more and less industrially developed nations

**Allocation of a frequency band** - Entry in the Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more terrestrial or space radio communication services or the radio astronomy service under specified conditions. This term shall also be applied to the frequency band concerned.

**Allotment of a radio frequency or radio frequency channel** - Entry of a designated frequency channel in an agreed plan, adopted by a competent conference, for use by one or more administrations for a terrestrial or space/radio communication service in one or more identified countries or geographical areas and under specified conditions.

**Assignment of a radio frequency or radio frequency channel** - Authorization given by an administration for a radio station to use a radio frequency or radio frequency channel under specified conditions.

Annex - 5

**Telecommunication related words and definitions**

**Annual Adjusted Gross Revenue** – annual gross revenues from the provision of Telecommunications Services under a License minus bona fide payments made to other Licensees in Nepal or other Telecommunications Service Providers outside Nepal for Interconnection, termination or origination charges, or other payments prescribed by the Authority in a Bylaw.

**Lease/dedicated Line/circuit** – a telephone line rented for exclusive use of the customer 24-hour a day, from a telephone company, which could also be a partial circuit.

- GSM** – Global System for Mobile Communication
- WiLL** – Wireless in Local Loop
- CDMA** – Code Division Multiple Access
- IMT 2000** – International Mobile Telecommunications 2000
- GMPCS** – Global Mobile Personal Communication System via Satellite
- POP** – Point of Presence
- POI** – Point of Interconnection
- IUC** – Interconnection Usage Charge
- CAC** – Carrier Access Code
- SATRC** – South Asian Telecommunication Regulatory Commission
- APT** – Asia Pacific Telecommunity
- ITU** – International Telecommunications Union
- MSC** – Mobile Switching Center
- ICT** – Information Communication Technology
- DECT** – Digital Enhancement Cordless Telecommunication
- AMPS** – Advanced Mobile Phone System
- BTS** – Base Transceiver Station
- BOO** – Build Own Operate
- BOT** – Build Own Transfer
- BTO** – Build Transfer Operate
- BOOT** – Build Own Operate Transfer

**Accounting Rate** - the price which is agreed to be shared among the operators for a call

**Price Cap** – Method of pricing where a maximum price which an operator can charge to their customer is fixed by a Regulatory Authority.

**Digital Divide** - The term 'digital divide' describes the fact that the world can be divided into people who do and people who don't have access to - and the capability to use - modern information technology, such as the telephone,

**Nepal Telecommunications Authority**

**Board**



Chairman  
Mr. Suresh Kumar Pudasaini



Member  
Mr. Maniram Ojha



Member  
Mr. Abinash Pant



Member  
Dr. Krishna Bahadur Khatri

**License Fee and Renewal Fee of Value Added Service of  
Telecommunication**

The following fees shall be charged for the Licence to be given pursuant to sub-rule (5) of Rule 10 of the Telecommunications Regulations, 1997 and the following fees shall be charged for renewal of the Licence to be given pursuant to sub-rules (5) and (6) of Rule 10 of the Telecommunications Regulations, 1997:

S. No.	Type of telecommunications service	License Fee (in Rs.)	Renewal Fee (in Rs.)
1.	Internet (including E-mail)	300,000.00	270,000.00
2.	E-mail	200,000.00	180,000.00
3.	Audio text/Voice mail	200,000.00	180,000.00
4.	Video Text	200,000.00	180,000.00
5.	Fax Mail	200,000.00	180,000.00
6.	<b>VSAT</b>		
	a. VSAT Network Provider	2,500,000.00	2,250,000.00
	b. VSAT User	250,000.00	225,000.00
7.	Audio Conferencing	50,000.00	45,000.00
8.	Pay Phone	3,000,000.00	2,700,000.00
9.	Pre-paid Calling Card	3,000,000.00	2,700,000.00
10.	Local Data Network (for business use)	2,500,000.00	2,250,000.00
11.	<b>Radio Paging Network</b>		
	a. In the whole Kingdom	5,000,000.00	4,500,000.00
	b. Eastern and Central Development Region (except Kathmandu Valley)	2,000,000.00	1,800,000.00
	c. Kathmandu Valley	2,000,000.00	1,800,000.00
	d. Western Development Region	1,200,000.00	1,080,000.00
	e. Mid Western and Far Western Development Region	800,000.00	720,000.00
	f. To operate only in certain VDC	300,000.00	270,000.00
12.	<b>Trunk Mobile Radio</b>		
	a. Kathmandu Valley	500,000.00	450,000.00
	b. Pokhara and Biratnagar Sub-metropolitan and Birgunj, Bhairahawa, Bharatpur, and Nepalgunj Municipalities	250,000.00	225,000.00
	c. Other areas	125,000.00	112,500.00
13.	Video Conferencing Service	150,000.00	135,000.00
14.	GMPCS Service	1,500,000.00	1,400,000.00
15.	Limited Mobility in WiLL Service	250,000.00	225,000.00
16.	For other telecommunications service, the amount as prescribed by the Ministry on the Recommendation of the Authority by the notification on the Nepal Gazette.		

6.7	City Paging Service Pvt. Ltd. Kalikasthan, Dillibazaar Kathmandu	Radio Paging Network Service (in Western Development Region)	Phone No. : 4439381 Fax No. : 4439382 E-mail : citypage@mail.com.np URL : www.citypage.com.np
6.8	City Paging Service Pvt. Ltd. Kalikasthan, Dillibazaar Kathmandu	Radio Paging Network Service (in Eastern and Central Development Region)	Phone No. : 4439381 Fax No. : 4439382 E-mail : citypage@mail.com.np URL : www.citypage.com.np
<b>7. Video Conferencing Service</b>			
7.1	World Bank Kathmandu Resident Office Hotel Yak & Yeti Complex	Video Conferencing Service	Phone No. : 4226792 Fax No. : 4225112 E-mail : URL :
<b>8. Fax Mail Service</b>			
8.1	Mercantile Communications Pvt. Ltd., Durbar Marg, Kathmandu	Fax Mail Service	Phone No. : 4220773 Fax No. : 4225407 E-mail : amatya@mos.com.np URL : www.mos.com.np
8.2	Computerland Communication System Ltd., Ramshahpath, Kathmandu	Fax Mail Service	Phone No. : 4223226 Fax No. : 4225603 E-mail : ccsl@ccsl.com.np URL : www.ccsl.com.np
8.3	Worldlink Communication Pvt. Ltd., Jawalakhel, Lalitpur	Fax Mail Service	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np
8.4	Infocom Pvt. Ltd. Hattisar, Kathmandu	Fax Mail Service	Phone No. : 4436458 Fax No. : 4435826 E-mail : info@info.com.np URL : www.info.com.np
8.5	Himalayan Online Services Pvt. Ltd., Bagbazaar, Kathmandu	Fax Mail Service	Phone No. : 4244952 Fax No. : 4224524 E-mail : info@hons.com.np URL : www.hons.com.np
8.6	Unlimited Numedia Pvt. Ltd. Khichapokhari, Kathmandu	Fax Mail Service	Phone No. : 2011302/3 Fax No. : 5529295 E-mail : allentuladhar2003@yahoo.com URL : www.unlimit.com
<b>9. GMPACS Service</b>			
9.1	Constellation Pvt. Ltd. Pulchowk, Lalitpur	GMPACS Service	Phone No. : 5548836 Fax No. : 5548879 E-mail : ceo@constellation.com.np URL : www.thuraya.com
9.2	Avco International Pvt. Ltd. Nagpokhari, Kathmandu	GMPACS Service	Phone No. : 4410394 Fax No. : 4422252 E-mail : avco@wlink.com.np URL :
<b>10. Rural Telecommunication Service</b>			
10.1	STM Telecom Sanchar Pvt. Ltd. Baluwatar, Kathmandu	Rural Telecom Service	Phone No. : 4445981, 4446382 Fax No. : 4419366 E-mail : spradhan@stmtelcom.org.np URL : www.stmtelcom.org.np
<b>11. Local Data Network</b>			
11.1	Shivhari Pokharel Representative SITA, RNAC Building	Data Service	Phone No. : 4229252 Fax No. : 4228314 E-mail : URL :

## Nepal Telecommunications Authority

### Name list of the Officers

<u>S.No.</u>	<u>Name</u>	<u>Post</u>
1	Mr. Suresh Kumar Pudasaini	Chairman
2	Mr. Bhakta Raj Rana	Advisor
3	Mr. Sashi Sijapati	Advisor
4	Mr. Kumar Prasad Sharma	Deputy Manager
5	Mr. Purushottam Khanal	Assistant Manager
6	Mr. Ambar Sthapit	Assistant Manager
7	Mr. Deepesh Acharya	Assistant Manager
8	Mr. Kailash Prasad Neupane	Assistant Manager
9	Mr. Santosh Paudel	Assistant Manager
10	Mr. Balaram Adhikari	Assistant Manager
11	Mr. Surendra Lal Hada	Assistant Manager
12	Mr. Arjun Ghimire	Assistant Manager
13	Mr. Kabindra Shrestha	Assistant Manager
14	Mr. Udaya Raj Regmi	Assistant Manager
15	Mr. Min Prasad Aryal	Assistant Manager
16	Mr. Bijay Kumar Roy	Assistant Manager

### Name list of the Non-officers

1.	Mr. Suresh Basnet	Office Assistant
2.	Mr. Sandip Adhikari	Office Assistant
3.	Mr. Sunder Pyakurel	Office Assistant
4.	Mrs. Pratima Ghimire	Office Assistant
5.	Mr. Rewoti Ram Pantha	Office Assistant
6.	Mr. Sunil Khatiwada	Office Assistant
7.	Ms. Sudha Sharma	Office Assistant
8.	Mr. Ekraj Tiwari	Driver
9.	Mr. Bishnuhari Phuyal	Driver
10.	Mr. Arjun Karki	Driver
11.	Mr. Radheshyam Malla	Peon
12.	Mr. Nawaraj Puri	Peon
13.	Mr. Haka Bahadur Pradhan	Peon

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5.19	Cyber Space Pvt. Ltd. Birgunj, Parsa	Internet (including E-mail)	Phone No. : 051 524075 Fax No. : 051 524075 E-mail : info@cyberspace.com URL : www.cyerspace.com
5.20	Net Link Communication Pvt. Ltd., Naxal, Kathmandu	Internet (including E-mail)	Phone No. : 4440304 Fax No. : 4492703 E-mail : info@netlink.com.np URL : www.netlink.com.np
5.21	Himal Technologies Pvt. Ltd. Jayabageshwori, Kathmandu	Internet (including E-mail)	Phone No. : 4480698 Fax No. : 4758819 E-mail : info@himaltech.com URL : www.himaltech.com
5.22	Global Net Pvt. Ltd. Bharatpur, Chitwan	Internet (including E-mail)	Phone No. : 056 520656 Fax No. : 056 520656 E-mail : info@globalnet.com.np URL : www.globalnet.com.np
5.23	Subisu Cablenet Pvt. Ltd. Baluwatar, Kathmandu	Internet (including E-mail)	Phone No. : 4429616 Fax No. : 4430572 E-mail : sudhir@subisu.com URL : www.subisu.com
5.24	Spacetime Internet Pvt. Ltd. Minbhawan, Kathmandu	Internet (including E-mail)	Phone No. : 4487750 Fax No. : 4494022 E-mail : info@spacetime.com URL : www.spacetime.com
5.25	Pokhara I-net Pvt. Ltd. Pokhara, Kaski	Internet (including E-mail)	Phone No. : 061 535377 Fax No. : 061 523891 E-mail : afm@fewanet.com.np URL : www.fewanet.com.np
5.26	Mero ISP Pvt. Ltd Kantipath, Kathmandu	Internet (including E-mail)	Phone No. : 2001011 Fax No. : 4232777 E-mail : URL :
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6.3	KAT Easy Page Pvt. Ltd. Pako, New Road, Kathmandu	Radio Paging Network Service (in Kathmandu Valley)	Phone No. : 4224130 Fax No. : 42241976 E-mail : easypage@mos.com.np URL : www.easypage.com.np
6.4	Agni Paging Pvt. Ltd Lazimpat, Kathmandu	Radio Paging Network Service (in Kathmandu Valley)	Phone No. : 4430077 Fax No. : 4430064 E-mail : agnipage@mos.com.np URL : www.page.com.np
6.5	Digital Telecom International Pvt. Ltd., Tripureshwor, Kathmandu	Radio Paging Network Service (in the whole Kingdom)	Phone No. : 4268007 Fax No. : 4268003 E-mail : info@dti.com.np URL : www.dti.com.np
6.6	KAT Easy Page Pvt. Ltd. Pako, New Road, Kathmandu	Radio Paging Network Service (in Western Development Region)	Phone No. : 4224130 Fax No. : 42241976 E-mail : easypage@mos.com.np URL : www.easypage.com.np



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5.6	Global Internet Services Pvt. Ltd. Pulchowk, Lalitpur	Internet (including E-mail)	Phone No. : 5544277 Fax No. : 5544386 E-mail : info@gispl.com URL : www.gispl.com
5.7	Himalayan Online Services Pvt. Ltd., Baghbazaar, Kathmandu	Internet (including E-mail)	Phone No. : 4244952 Fax No. : 4224524 E-mail : info@hons.com.np URL : www.hons.com.np
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5.9	Infocom Pvt. Ltd Hattisar, Kathmandu	Internet (including E-mail)	Phone No. : 4436458 Fax No. : 4435826 E-mail : info@info.com.np URL : www.info.com.np
5.10	Unlimited Numedia Pvt. Ltd. Khichapokhari, Kathmandu	Internet (including E-mail)	Phone No. : 2011302/3 Fax No. : 5529295 E-mail : allentuladhar2003@yahoo.com URL : www.unlimit.com
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5.12	Nepal Gateway Communication Pvt. Ltd., Hattisar, Kathmandu	Internet (including E-mail)	Phone No. : 4439361 Fax No. : 4439362 E-mail : moonlight@wlink.com.np URL :
5.13	Nepal Doorsanchar Company Limited, Bhadrakali, Kathmandu	Internet (including E-mail)	Phone No. : 5536791 Fax No. : 5515291 E-mail : ntcogm@ntc.net.np URL : www.ntc.net.np
5.14	Square Network Pvt. Ltd. Sanepa, Lalitpur	Internet (including E-mail)	Phone No. : 5549390 Fax No. : 5549388 E-mail : sachin@snet.com.np URL : www.snet.com.np
5.15	Via Net Communication Pvt. Ltd. Pulchowk, Lalitpur	Internet (including E-mail)	Phone No. : 5522532 Fax No. : 5537318 E-mail : info@vianet.com.np URL : www.vianet.net.np
5.16	Sailung Dot Com Pvt. Ltd. Bhanuchowk, Dharan	Internet (including E-mail)	Phone No. : 025 - 526528 Fax No. : 025 - 526528 E-mail : amrit@sailung.com URL : www.sailung.com
5.17	Phewa Net Pvt. Ltd. Mahendra Pool, Pokhara	Internet (including E-mail)	Phone No. : 061 - 531548 Fax No. : 061 - 531548 E-mail : gajendra@phewanet.com.np URL : www.fewanet.com.np
5.18	I Max Pvt. Ltd. New Road, Kathmandu	Internet (including E-mail)	Phone No. : 4441362 Fax No. : 4423674 E-mail : info@imax.com.np URL : www.imax.com.np

**Nepal Telecommunications Authority**

**Staffs**



Mr. Suresh Kumar Pudasaini  
Chairman



Mr. Bhakta Raj Rana  
Advisor



Mr. Sashi Sijapati  
Advisor



Mr. Kumar Prasad Sharma  
Deputy Manager



Mr. Purushottam Khanal  
Assistant Manager



Mr. Ambar Sthapit  
Assistant Manager



Mr. Deepesh Acharya  
Assistant Manager



Mr. Kailash Pd. Neupane  
Assistant Manager



Mr. Ramchandra Aryal  
Assistant Manager



Mr. Santosh Paudel  
Assistant Manager

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4.60	Himalayan Bank Limited Kathmandu	VSAT Service User (Pokhara Terminal)	Phone No. : 4250201 Fax No. : 4222800 E-mail : hbl@hbl.com.np URL : www.hbl.com.np
4.61	Himalayan Bank Limited Kathmandu	VSAT Service User (Bharatpur Terminal)	Phone No. : 4250201 Fax No. : 4222800 E-mail : hbl@hbl.com.np URL : www.hbl.com.np
4.62	Nabil Bank Limited Kantipath, Kathmandu	VSAT Service User (Kathmandu Terminal)	Phone No. : 4226785 Fax No. : 4226905 E-mail : nabil@nabil.com.np URL : www.nabilbankltd.com
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4.64	Nabil Bank Limited Kantipath, Kathmandu	VSAT Service User (Biratnagar Terminal)	Phone No. : 4226785 Fax No. : 4226905 E-mail : nabil@nabil.com.np URL : www.nabilbankltd.com
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4.66	Nabil Bank Limited Kantipath, Kathmandu	VSAT Service User (Nepalgunj Terminal)	Phone No. : 4226785 Fax No. : 4226905 E-mail : nabil@nabil.com.np URL : www.nabilbankltd.com
4.67	Nabil Bank Limited Kantipath, Kathmandu	VSAT Service User (Pokhara Terminal)	Phone No. : 4226785 Fax No. : 4226905 E-mail : nabil@nabil.com.np URL : www.nabilbankltd.com
4.68	Institute of Engineering Pulchowk, Lalitpur	VSAT Service User (Pulchowk Terminal)	Phone No. : Fax No. : E-mail : URL :
4.69	Nepal Engineering College Changunarayan, Bhaktapur	VSAT Service User (Bhaktapur Terminal)	Phone No. : 6611744 Fax No. : 6611681 E-mail : nec@healthnet.org.np URL :
4.70	B.P. Koirala Institute of Health & Sciences Dharan, Sunsari	VSAT Service User (Dharan Terminal)	Phone No. : 025 520251 Fax No. : 025 520251 E-mail : URL :
<b>5. Internet (including E-mail) Service</b>			
5.1	Mercantile Communications Pvt. Ltd., Durbar Marg, Kathmandu	Internet (including E-mail)	Phone No. : 4220773 Fax No. : 4225407 E-mail : amatya@mos.com.np URL : www.mos.com.np
5.2	Computerland Communication System Limited Ramshah Path, Kathmandu	Internet (including E-mail)	Phone No. : 4223226 Fax No. : 4225603 E-mail : ccsl@ccsl.com.np URL : www.ccsl.com.np
5.3	Capital Online Pvt. Ltd. Kathmandu Plaza, Kathmandu	Internet (including E-mail)	Phone No. : Fax No. : E-mail : URL :

4.44	Khumbu Communication Pvt. Ltd., Namche, Solukhumbu	VSAT Service User (Namche Terminal)	Phone No. : Fax No. : E-mail : URL :
4.45	Himar Power Limited Jhamshikhel, Lalitpur	VSAT Service User (Jhamshikhel Terminal)	Phone No. : 5521864 Fax No. : 5536411 E-mail : hpl@hpl.com.np URL :
4.46	Mercantile Communication Pvt. Ltd., Durbar Marg, Kathmandu	VSAT Service User (Mahendranagar Terminal)	Phone No. : 4220773 Fax No. : 4225407 E-mail : amatya@mos.com.np URL : www.mos.com.np
4.47	Sagarmatha Pollution Control Committee, Namche, Solukhumbu	VSAT Service User (Namche Terminal)	Phone No. : 038 540057 Fax No. : 038 540057 E-mail : ntpcc@mos.com.np URL :
4.48	A.J. Wild Institute of Advance Studies Pvt. Ltd. Maharajgunj, Kathmandu	VSAT Service User (Maharajgunj Terminal)	Phone No. : 4410245 Fax No. : 4411745 E-mail : info@ajw.com.np URL : www.ajw.com.np
4.49	Sailung Dot Com Pvt. Ltd. BhanuChowk, Dharan	VSAT Service User (Dharan Terminal)	Phone No. : 025 526528 Fax No. : 025 526528 E-mail : amrit@sailung.com URL : www.sailung.com
4.50	Chitwan Tek VSAT Pvt. Ltd. Bharatpur, Chitwan	VSAT Service User (Bharatpur Terminal)	Phone No. : Fax No. : E-mail : URL :
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4.53	Kumari Bank Limited Putalisadak, Kathmandu	VSAT Service User (Kathmandu Terminal)	Phone No. : 4232112 Fax No. : 4231960 E-mail : info@kbl.com.np URL : www.kbl.com.np
4.54	Himalayan Bank Limited Kathmandu	VSAT Service User (Hetauda Terminal)	Phone No. : 4250201 Fax No. : 4222800 E-mail : hbl@hbl.com.np URL : www.hbl.com.np
4.55	Himalayan Bank Limited Kathmandu	VSAT Service User (Lalitpur Terminal)	P Phone No. : 4250201 Fax No. : 4222800 E-mail : hbl@hbl.com.np URL : www.hbl.com.np
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4.57	Himalayan Bank Limited Kathmandu	VSAT Service User (Bhairahawa Terminal)	Phone No. : 4250201 Fax No. : 4222800 E-mail : hbl@hbl.com.np URL : www.hbl.com.np
4.58	Himalayan Bank Limited Kathmandu	VSAT Service User (Birgunj Terminal)	Phone No. : 4250201 Fax No. : 4222800 E-mail : hbl@hbl.com.np URL : www.hbl.com.np



Mr. Balaaram Adhikari  
Assistant Manager



Mr. Surendra Lal Hada  
Assistant Manager



Mr. Arjun Ghimire  
Assistant Manager



Mr. Kabindra Shrestha  
Assistant Manager



Mr. Udaya Raj Regmi  
Assistant Manager



Mr. Bijay Kumar Roy  
Assistant Manager



Mr. Min Prasad Aryal  
Assistant Manager



Mr. Suresh Basnet  
Office Assistant



Mr. Sandip Adhikari  
Office Assistant



Mr. Sunder Pyakurel  
Office Assistant



Mrs. Pratima Ghimire  
Office Assistant



Mr. Rewoti Ram Pantha  
Office Assistant

**Nepal Telecommunications Authority - An Introduction - 2004**

4.29	Worldlink Communication Pvt. Ltd., Biratnagar	VSAT Service User (Biratnagar Terminal)	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np
4.30	Worldlink Communication Pvt. Ltd., Birgunj	VSAT Service User (Birgunj Terminal)	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np
4.31	Worldlink Communication Pvt. Ltd., Pokhara	VSAT Service User (Pokhara Terminal)	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np
4.32	Standard Chartered Bank Nepal Ltd., New Baneshwor, Kathmandu	VSAT Service User (Pokhara Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.33	Standard Chartered Bank Nepal Ltd., New Baneshwor, Kathmandu	VSAT Service User (Hetauda Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.34	Standard Chartered Bank Nepal Ltd., New Baneshwor, Kathmandu	VSAT Service User (Biratnagar Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.35	Standard Chartered Bank Nepal Ltd., New Baneshwor, Kathmandu	VSAT Service User (Bhairahawa Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.36	Himalayan T-Commerce Pvt. Ltd. Balaju, Kathmandu	VSAT Service User (Balaju Terminal)	Phone No. : 4350660 Fax No. : 4350474 E-mail : sigma@gem.wlink.com.np URL :
4.37	Colgate Palmolive Pvt. Ltd. Hetauda	VSAT Service User (Hetauda Terminal)	Phone No. : 057 522005 Fax No. : 057 521222 E-mail : URL :
4.38	I Max Pvt. Ltd. New Road, Kathmandu	VSAT Service User (Dhangadhi Terminal)	Phone No. : 4441362 Fax No. : 4423674 E-mail : info@imax.com.np URL : www.imax.com.np
4.39	Standard Chartered Bank Nepal Ltd., New Baneshwor, Kathmandu	VSAT Service User (New Baneshwor Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.40	Standard Chartered Bank Nepal Ltd., New Baneshwor, Kathmandu	VSAT Service User (Jawalakhel Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.41	Worldlink Communication Pvt. Ltd., Jawalakhel, Lalitpur	VSAT Service User (Nepalgunj Terminal)	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np
4.42	Worldlink Communication Pvt. Ltd., Jawalakhel, Lalitpur	VSAT Service User (Bhadrapur Terminal)	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np
4.43	Bank Of Kathmandu Limited Kamalpokhari, Kathmandu	VSAT Service User (Dhangadhi Terminal)	Phone No. : 4414541 Fax No. : 4418990 E-mail : info@bok.com.np URL : www.bok.com.np

**Nepal Telecommunications Authority - An Introduction - 2004**

4.14	Himalaya Rescue Dog Squad Pvt. Ltd., Syauli Bazaar, Lamjung	VSAT Service User	Phone No. : 061 523267 Fax No. : 061 523267 E-mail : hrdsn@cnet.com.np URL : www.hrdsnrescue.org.np
4.15	Worldlink Communication Pvt. Ltd., Jawalakhel, Lalitpur	VSAT Service User	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np
4.16	Global Internet Services Pvt. Ltd. Naya Baneshwor, Kathmandu	VSAT Service User	Phone No. : 5543647 Fax No. : 5548317 E-mail : info@gispl.com URL : <a href="http://www.gispl.com">www.gispl.com</a>
4.17	Nepal Gateway Communication Pvt. Ltd., Hattisar, Kathmandu	VSAT Service User	Phone No. : 4439362 Fax No. : 4439361 E-mail : highmtn@wlink.com.np URL :
4.18	Nepal Grindlays Bank Limited Naya Baneshwor, Kathmandu	VSAT Service User (Hetauda Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.19	Nepal Grindlays Bank Limited Naya Baneshwor, Kathmandu	VSAT Service User (Bhairahawa Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.20	Bank Of Kathmandu Limited Kathmandu	VSAT Service User (Kathmandu Terminal)	Phone No. : 4414541 Fax No. : 4418990 E-mail : info@bok.com.np URL : www.bok.com.np
4.21	Bank Of Kathmandu Limited Butwal	VSAT Service User (Butwal Terminal)	Phone No. : 4414541 Fax No. : 4418990 E-mail : info@bok.com.np URL : www.bok.com.np
4.22	Bank Of Kathmandu Limited Nepalgunj	VSAT Service User (Nepalgunj Terminal)	Phone No. : 4414541 Fax No. : 4418990 E-mail : info@bok.com.np URL : www.bok.com.np
4.23	Bank Of Kathmandu Limited Hetauda	VSAT Service User (Hetauda Terminal)	Phone No. : 4414541 Fax No. : 4418990 E-mail : info@bok.com.np URL : www.bok.com.np
4.24	Himal Power Limited Dolakha	VSAT Service User (Dolakha Terminal)	Phone No. : 5521864 Fax No. : 5536411 E-mail : hpl@hpl.com.np URL :
4.25	Larson and Turbo Baluwatar	VSAT Service User (Kathmandu Terminal)	Phone No. : 4413808 Fax No. : 4423352 E-mail : ltegnp@mos.com.np URL : <a href="http://www.lntecc.com">www.lntecc.com</a>
4.26	Mid-Marsyangdi Hydroelectric Project Lamjung	VSAT Service User (Lamjung Terminal)	Phone No. : 4421943 Fax No. : 4421943 E-mail : ddc_jv@info.com.np URL :
4.27	Kathmandu University Dhulikhel, Kavre	VSAT Service User (Dhulikhel Terminal)	Phone No. : 011 661399 Fax No. : 011 661443 E-mail : URL :
4.28	Worldlink Communication Pvt. Ltd. Bhairahawa	VSAT Service User (Bhairahawa Terminal)	Phone No. : 5523050 Fax No. : 5529403 E-mail : pavan@wlink.com.np URL : www.wlink.com.np

**Nepal Telecommunications Authority - An Introduction - 2004**



Mr. Sunil Khatiwada  
Office Assistant



Ms. Sudha Sharma  
Office Assistant



Mr. Ekraj Tiwari  
Driver



Mr. Bishnu Hari Phuyal  
Driver



Mr. Arjun Karki  
Driver



Mr. Radheshyam Malla  
Peon



Mr. Nawaraj Puri  
Peon



Mr. Haka Bahadur Pradhan  
Peon

**Nepal Telecommunications Authority - An Introduction - 2004**

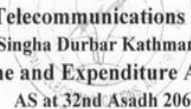
3.9	Square Network Pvt. Ltd. Sanepa, Lalitpur	VSAT Network Provider	Phone No. : 5549390 Fax No. : 5549388 E-mail : sachin@snet.com.np URL : www.snet.com.np
3.10	Unlimited Numedia Pvt. Ltd. Khichapokhari, Kathmandu	VSAT Network Provider	Phone No. : 2011302/3 Fax No. : 5529295 E-mail : allentuladhar2003@yahoo.com URL : www.unlimit.com
<b>4. VSAT Service User</b>			
4.1	Nepal Grindlays Bank Limited Naya Baneshwor, Kathmandu	VSAT Service User (New Baneshwor Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.2	Mercantile Communication Pvt. Ltd., Durbar Marg, Kathmandu	VSAT Service User (Kathmandu Terminal)	Phone No. : 4220773 Fax No. : 4225407 E-mail : amatya@mos.com.np URL : www.mos.com.np
4.3	Everest Net Pvt. Ltd. Jawalakhel, Lalitpur	VSAT Service User	Phone No. : 5546010 Fax No. : 5539431 E-mail : info@enet.com.np URL : www.enet.com.np
4.4	World Bank, Kathmandu Resident Office Hotel Yak & Yeti Complex	VSAT Service User	Phone No. : 4226792 Fax No. : 4225112 E-mail : URL :
4.5	Mercantile Communication Pvt. Ltd., Durbar Marg, Kathmandu	VSAT Service User (Birgunj Terminal)	Phone No. : 4220773 Fax No. : 4225407 E-mail : amatya@mos.com.np URL : www.mos.com.np
4.6	Surya Tobacco Company Pvt. Ltd., Kantipath, Kathmandu	VSAT Service User (Kathmandu Terminal)	Phone No. : 4227328 Fax No. : 4227525 E-mail : stc@mos.com.np URL :
4.7	Surya Tobacco Company Pvt. Ltd., Kantipath, Kathmandu	VSAT Service User (Simara Terminal)	Phone No. : 4227328 Fax No. : 4227525 E-mail : stc@mos.com.np URL :
4.8	Nepal Grindlays Bank Limited Naya Baneshwor, Kathmandu	VSAT Service User (Kathmandu Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.9	Nepal Grindlays Bank Limited Naya Baneshwor, Kathmandu	VSAT Service User (Pokhara Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.10	Nepal Grindlays Bank Limited Naya Baneshwor, Kathmandu	VSAT Service User (Biratnagar Terminal)	Phone No. : 4782333 Fax No. : 4720762 E-mail : URL :
4.11	Infocom Pvt. Ltd Hattisar, Kathmandu	VSAT Service User	Phone No. : 4436458 Fax No. : 4435826 E-mail : info@info.com.np URL : www.info.com.np
4.12	Mercantile Communication Pvt. Ltd. Durbar Marg, Kathmandu	VSAT Service User (Hetauda Terminal)	Phone No. : 4220773 Fax No. : 4225407 E-mail : amatya@mos.com.np URL : www.mos.com.np
4.13	Mercantile Communication Pvt. Ltd. Durbar Marg, Kathmandu	VSAT Service User (Pokhara Terminal)	Phone No. : 4220773 Fax No. : 4225407 E-mail : amatya@mos.com.np URL : www.mos.com.np

**Name and Contact address details of the organisations that has  
been licensed before the end of fiscal year 2003/04 from  
Nepal Telecommunications Authority**

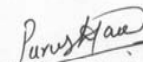
S. No.	Licensee	Licensed Service	Contact No. and E-mail
<b>1. Basic Telecommunication Service</b>			
1.1	Nepal Doorsanchar Company Limited, Bhadrakali Plaza, Kathmandu	Basic Telecommunication Service	Ph. No. : 4210202 Fax No. : 4221202 E-mail : <a href="mailto:ntcogm@ntc.net.np">ntcogm@ntc.net.np</a> URL : <a href="http://www.ntc.net.np">www.ntc.net.np</a>
1.2	United Telecom Limited Triveni Complex, Putalisadak, Kathmandu	Basic Telecommunication Service (based on WiLL technology)	Ph. No. : 4231632 Fax No. : 4219498 E-mail : <a href="mailto:utlnepal@wlink.com.np">utlnepal@wlink.com.np</a> URL : <a href="http://www.utlnepal.com.np">www.utlnepal.com.np</a>
<b>2. Cellular Mobile Service</b>			
2.1	Nepal Doorsanchar Company Limited, Bhadrakali Plaza, Kathmandu	Cellular Mobile Service (GSM technology)	Phone No. : 5536791 Fax No. : 5515291 E-mail : <a href="mailto:ntcogm@ntc.net.np">ntcogm@ntc.net.np</a> URL : <a href="http://www.ntc.net.np">www.ntc.net.np</a>
<b>3. VSAT Network Provider</b>			
3.1	Mercantile Communications Pvt. Ltd., Durbar Marg, Kathmandu	VSAT Network Provider	Phone No. : 4220773 Fax No. : 4225407 E-mail : <a href="mailto:amatya@mos.com.np">amatya@mos.com.np</a> URL : <a href="http://www.mos.com.np">www.mos.com.np</a>
3.2	Communication and Communicate (Nepal) Pvt. Ltd. Siddhi Bhawan, Kathmandu	VSAT Network Provider	Phone No. : 4263600 Fax No. : 4243726 E-mail : <a href="mailto:info@ccnep.com.np">info@ccnep.com.np</a> URL : <a href="http://www.ccnep.com.np">www.ccnep.com.np</a>
3.3	Worldlink Communication Pvt. Ltd., Jawalakhel, Lalitpur	VSAT Network Provider	Phone No. : 5523050 Fax No. : 5529403 E-mail : <a href="mailto:pavan@wlink.com.np">pavan@wlink.com.np</a> URL : <a href="http://www.wlink.com.np">www.wlink.com.np</a>
3.4	Global Internet Services Pvt. Ltd. Pulchowk, Lalitpur	VSAT Network Provider	Phone No. : 5543647 Fax No. : 5548317 E-mail : <a href="mailto:info@gispl.com">info@gispl.com</a> URL : <a href="http://www.gispl.com">www.gispl.com</a>
3.5	I Max Pvt. Ltd. New Road, Kathmandu	VSAT Network Provider	Phone No. : 4441362 Fax No. : 4423674 E-mail : <a href="mailto:info@imax.com.np">info@imax.com.np</a> URL : <a href="http://www.imax.com.np">www.imax.com.np</a>
3.6	Infocom Pvt. Ltd. Hattisar, Kathmandu	VSAT Network Provider	Phone No. : 4436458 Fax No. : 4435826 E-mail : <a href="mailto:info@info.com.np">info@info.com.np</a> URL : <a href="http://www.info.com.np">www.info.com.np</a>
3.7	Namche Networks Pvt. Ltd. Man Bhawan, Lalitpur	VSAT Network Provider	Phone No. : Fax No. : E-mail : <a href="mailto:info@namche.com">info@namche.com</a> URL : <a href="http://www.namche.com">www.namche.com</a>
3.8	Web Surfer Nepal Communications Pvt. Ltd. Sagarmatha Complex, Naxal, Kathmandu	VSAT Network Provider	Phone No. : 4440093 Fax No. : 4492703 E-mail : <a href="mailto:suman@websurfer.com.np">suman@websurfer.com.np</a> URL : <a href="http://www.websurfer.com.np">www.websurfer.com.np</a>

**Table of Contents**


Foreword	i
NTA Board	ii
NTA Staffs	iii
Table of Contents	vii
1. Background	1
2. Establishment of Nepal Telecommunications Authority	1
3. Telecom Policy, 2004	2
4. Constitution of the Authority	6
5. Functions and duties of the Authority	7
6. Power of the Authority	11
7. Organisational structure of the Authority	14
8. Brief introduction of different telecommunication service	16-27
8.1 Basic Telecommunication Services	16
8.2 Mobile Telecommunication Service	17
8.3 Value Added Telecommunication Services	19
9. Services for which license has been granted and their accomplishments	27
10. Financial situation of Nepal Telecommunications Authority	37
11. Special Rural Telecommunication Program	38
12. Numbering Plan	40
13. Annexes	43-58
12.1 Annex - 1 Organisational Structure of Nepal Telecommunication Authority	43
12.2 Annex - 2 Income Statement and Balance sheet of Fiscal year 2002/03	44
12.3 Annex - 3 Name and Contact details of Licensee	46
12.4 Annex - 4 License fee and Renewal fee of Value Added Services of Telecommunication	55
12.5 Annex - 5 Telecommunication related words and definitions	56
12.6 Annex - 6 List of acts and rules related to Nepal Telecommunication Authority	58

  
**Nepal Telecommunications Authority**  
 Singha Durbar Kathmandu  
**Income and Expenditure Accounts**  
 AS at 32nd Asadh 2060

Particular	Annex	Current Year Rs	Previous Year Rs
<b>Income</b>			
License Fee Income	15	41,896,914.05	30,525,626.05
License Registration Fee		2,300.00	1,800.00
Interest Income	16	11,139,448.57	8,820,037.44
Misc. Income	17	263,306.64	9,068,928.22
<b>Total A</b>		<b>53,301,969.26</b>	<b>48,416,391.71</b>
<b>Expenditure</b>			
Administrative Expenses	18	6,707,260.16	8,122,822.39
Depreciation expenses		771,471.28	880,599.52
<b>Total B</b>		<b>7,478,731.44</b>	<b>9,003,421.91</b>
Saving Before Tax [(C)= (A-B)]		45,823,237.82	39,412,969.80
Income Tax Provision (D)		12,830,506.59	11,035,631.54
Saving After Tax [(E)=(C-D)]		32,992,731.23	28,377,338.26
Saving Upto Last Year (F)		60,849,782.76	33,044,272.53
<b>Total G= (E+F)</b>		<b>93,842,513.99</b>	<b>61,421,610.79</b>
<b>Provisions &amp; Fund</b>			
Provisions for gratuity Fund		48,691.67	461,788.92
Provisions for employees Welfare Fund		111,912.33	110,039.11
<b>Total H</b>		<b>160,604.00</b>	<b>571,828.03</b>
<b>Balance Transfer to Balance Sheet (G-H)</b>		<b>93,681,909.99</b>	<b>60,849,782.76</b>

  
 Purushottam Khanal  
 Assistant Manager

**Board Members**  
 Chairman, Suresh Kumar Pudasaini  
 Member, Mani Ram Ojha  
 Member, Abinash Pant  
 Member, Krishna Bahadur Khatri

  
 Chartered Accountants  
 Arbind Das Joshi

KINGDOM OF NEPAL  
  
 Deputy Auditor General  
 Office of the Deputy Auditor General




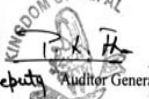
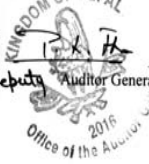
## Annex - 2

  
**Nepal Telecommunications Authority**  
 Singha Durbar, Kathmandu  
**Balance Sheet**  
 AS at 32nd Asadh 2060

Particular	Annex	Current Year Rs	Previous Year Rs
<b>Capital &amp; Liabilities</b>			
Special Rural Telecommunications Dev. Program Fund	1	61,732,651.75	65,706,522.70
Rural Telecommunications Development Fund	2	194,382,326.74	60,671,036.51
Income and Expenditure Account (Surplus)		93,681,909.99	60,849,782.76
<b>Short and Longterm Loan</b>			
Secure		-	-
Unsecure		-	-
<b>Total A</b>		<b>349,796,888.48</b>	<b>187,227,341.97</b>
<b>Assets and Properties</b>			
Fixed Assets	3	10,128,233.42	10,406,424.40
Investment			
<b>Total B</b>		<b>10,128,233.42</b>	<b>10,406,424.40</b>
<b>Current Assets</b>			
Deposit	4	80,000.00	70,000.00
Sundry Debtures	5	7,664,409.82	12,826,833.87
Advance Payments	6	135,984.51	104,845.00
Traveling and D.A. Advance			
Advance Income Tax Paid	7	34,951,809.91	20,502,740.34
Cash & bank balance	8	564,802,060.68	333,246,289.64
<b>Total C</b>		<b>607,634,264.92</b>	<b>366,750,708.85</b>
<b>Less Current liabilities and Provisions</b>			
Advance Income	9	(231,658,943.49)	(166,205,856.71)
Syndry Creditors	10	(69,418.34)	(197,097.13)
Advance Income Tax Provisions	11	(35,236,423.24)	(22,405,916.65)
Gratuity Fund Provisions	12	(648,177.81)	(887,686.14)
Employee Welfare Fund Provision	13	(345,146.98)	(233,234.65)
Deposit	14	(7,500.00)	-
<b>Total D</b>		<b>(267,965,609.86)</b>	<b>(189,929,791.28)</b>
<b>Net current Assets (E=C-D)</b>		<b>339,668,655.06</b>	<b>176,820,917.57</b>
<b>Written off</b>			
Previous Year		-	-
Current Years		-	-
<b>Total Assets F=(B+E)</b>		<b>349,796,888.48</b>	<b>187,227,341.97</b>

  
 Parushottam Khanal  
 Assistant Manager

**Board Members**  
 Chairman, Suresh Kumar Pudasaini  
 Member, Mani Ram Ojha  
 Member, Abinash Pant  
 Member, Krishna Bahadur Khatri

  
 Arbind Bas Joshi  
 Chartered Accountants  
  
 Auditor General  
  
 Office of the Auditor General  
 2076

## Nepal Telecommunications Authority - An Introduction 2004

### 1. Background

With the unprecedented innovations in the field of telecommunication services and rapid telecommunications development in the world, it has become necessary to bring with the same pace development and expansion in this sector in Nepal also. Keeping in harmony with the currently evolving new technological developments, the emerging craze for globalization and liberalization or market economy concept, it is felt that the resources and efforts of His Majesty's government alone cannot fulfill the steadily increasing demand of the telecommunication services in a competitive environment. Even though the private sector entrepreneurs are interested in investing in the novel sectors, flow of private sector capital in productive areas could not be made effective due to unfavourable environment and lack of opportunities. Taking this scenario into account, the National Communication Policy 1992 envisaged the concept of encouraging the private sector participation for providing telecommunication services to the public and to assist to the extent possible as is deemed necessary in an easily available, simple and well planned manner for the development, expansion and operation of this sector inside the kingdom of Nepal as well as abroad.

### 2. Establishment of Nepal Telecommunications Authority

With this concept, using liberalization policy and involving the private sector in a competitive environment for the development and expansion of telecommunication sector in Nepal, His Majesty's Government of Nepal's (cabinet's) decision dated December 25, 1995 has initiated the involvement of the private sector in the development of the telecommunication services. Nepal Telecommunications Authority as an autonomous regulatory body has been established on March 4, 1998 as stipulated within the framework of the Telecommunication Act 1997 and Telecommunication Regulation 1998 to make this work more systematic and regular.

### 3. Telecom Policy, 2004

In the context of the difficult geographical terrain of Nepal, telecommunications infrastructure is seen as more important than others. New opportunities are being seen in the telecom sector due to the rapid development of technology and continuous changes in the infrastructures. Nepali citizens can also benefit from the worldwide trend in the reduction of tariff in the telecommunications sector. In this context, by utilising the achievements gained in the telecom sector for maximum benefits and also to use the possibilities and opportunities that might come in future for the greater benefit of the Nepali people, the necessity of an appropriate and up to date policy has been felt. Hence, His Majesty's Government of Nepal has passed the Telecom Policy, 2004 replacing the older Telecom Policy, 1999 by the decision of the cabinet on March 8, 2004.

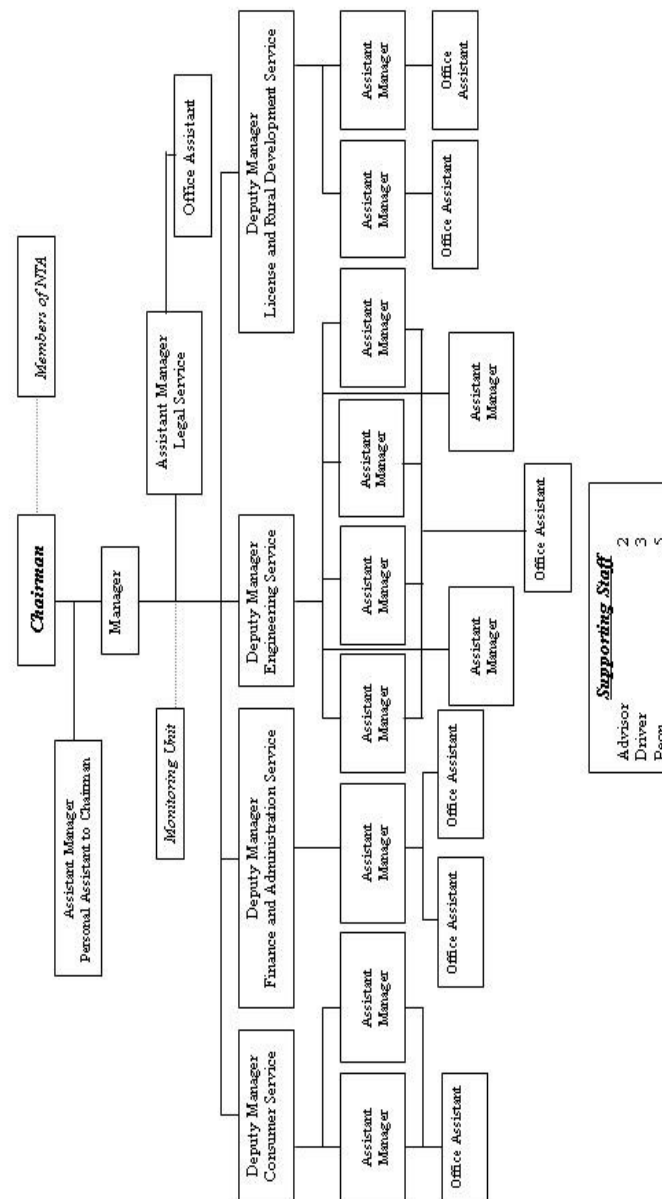
#### 3.1 Objective

The main objective of the Telecommunication Policy is to create a favourable environment in order to make the telecommunication services reliable and accessible to all people at a reasonable price throughout the Kingdom in collaboration with the private sector et.al in order to support the socioeconomic development of the country. For the overall accomplishment of these objectives, the following objectives have been determined.

**3.1.1** In order to provide access of the telecommunication services to the general public of rural and urban areas of the Kingdom, arrangement shall be made in a manner that telecommunication services shall be made available within shouting distance in the inhabited areas.

**3.1.2** The telecommunication services shall be made available on demand in the urban areas of the Kingdom. Corporate telecommunication service shall be made available in the business areas.

Annex - 1  
Organisational Structure of NTA



**12.5 Numbering Plan of NDCL VSAT Terminals**

Operating Area	System Code	Operator Code	Area Code	Subscriber Number
Hilly Region of Nepal	19	Y(4)	XX	ZZZZ

\* Area code is mapped to match PSTN district wise area code.

**12.6 Numbering Plan of Pagers**

System Code	Operator Code	Exchange Code/ Subscriber Number
96	YY	ZZZZZ

where,

X = Area code

Y = Operator code

Z = Subscriber number

*P.S.: If any new telecom service provider is introduced for the above mentioned telecom services, only the operator code will be changed.*

**3.1.3** Opportunity shall be provided to the consumers of the urban areas to choose services from different service providers. Arrangement of opportunity to choose services accordingly shall be extended gradually to the rural areas also.

**3.1.4** Arrangement shall be made for availing the use of appropriate information and communication technology for poverty alleviation and development of the rural areas.

**3.2 Strategy****3.2.1 Universal Access to the Telecommunication Service**

The telecommunication service shall be extended for universal access. The telecommunication service shall be made available to the consumers through the medium of shared telephone. For this, emphasis shall be given for the extension of telephony as fixed, mobile, etc. For extension of service, satellite system may also be used. Other services relating to information and communication technology shall be made available through the medium of Community Centres.

**3.2.2 Universal Service Obligation**

The telecommunication service providers shall be required to provide service to any consumer of the urban areas on demand.

**3.2.3 Development of Corporate Service**

In the urban areas, arrangement shall be made to provide the leased line, data and other similar corporate services to the government entities and private business enterprises through more than one service provider.

**3.2.2 Liberalization of the Telecommunication Sector**

The telecommunication sector has been fully opened for the service providers. However, the number of the service providers may be limited due to the radio spectrum. While providing

directory service, the service provider shall be required to provide such service incorporating all consumers using the service.

**3.2.5 Open Licensing Regime To Be Applied**

The open licensing regime shall be applied for providing opportunity to all service providers to enter into the telecommunication sector. Transparent procedures shall be applied for granting such license. Moreover, an environment for healthy competition shall be created.

**3.2.6 Private Sector's Participation to Be Encouraged**

The private sector's participation shall be encouraged for the telecommunication sector. Foreign investment shall be attracted. Arrangement shall be made to regularly inform the private sector about the particulars of reform undertaken in the telecommunication sector and about the opportunity available in this sector.

**3.2.7 To Enter into Information Society**

By arranging other necessary prerequisites such as extension of telecommunication service and drafting of Cyber Law, Nepal shall be made to enter into the Information Society in an effective manner.

**3.2.8 Appropriate Information and Communication Technology for the Users of the Rural Areas**

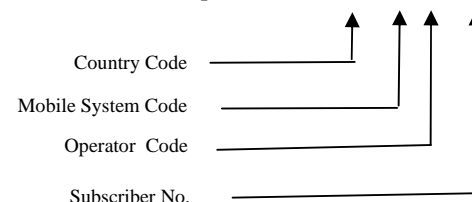
Appropriate information and communication technology shall be made available as per the capacity and need of the users of the rural areas. In this connection, the information and communication technology that do not require special training and literacy based on radio, television and telephone shall be made available in collaboration with the private sector et.al. The service of information and communication technology shall be

**12.2 NDCL Mobile (Post-Paid and Pre-Paid)**

	System Code	Operator Code	Subscriber Number
Mobile	98	Y (4,5,6)	ZZZZZZZ

For example:

1. A call to a subscriber in Kathmandu dial: +977-98-5-1063575
2. A call to a subscriber in Janakpur dial: +977-98-5-4063575

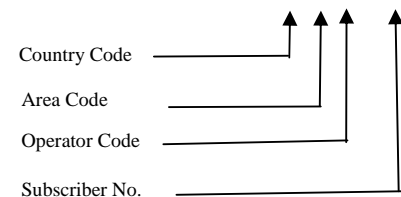


**12.3 United Telecom Limited (WLL Line)**

Operating Area	Country Code	Area Code	Operator Code	Exchange/Subscriber Number
Kathmandu Valley	977	X	Y (2)	ZZZZZZ

For example:

1. A call to a subscriber in Kathmandu dial: +977-1-2-289201



**12.4 STM Telecom Sanchar Pvt. Ltd. (Rural Telecommunication service based on VSAT)**

Operating Area	System Code	Operator Code	Area Code	Subscriber Number
Eastern Development Region	99	Y (3)	XX	ZZZZ

\* Area code is mapped to match PSTN district wise area code.

4) **NTA # 04 RTS Certification Program**

M/s Planet Works Consulting Inc., Canada has been selected by means of a tendering procedure to submit the report after inspecting the work carried out by the service operator regarding the actual roll out and quality of telephone service provided in the 534 remote village development committees of the Eastern Development Region using the satellite network connected through a hub. The consultant has already submitted the first phase of the project evaluation and verification.

5) **NTA # 05 New Mobile Licensing**

To operate mobile services under the new Telecom Policy 2004 with an intention of issuing licenses to a number of new service providers tendering was done for the EOI (Expression of Interest). Since 6 different institutions have been selected for this, work is being done according to the received proposals.

12. **Numbering Plan**

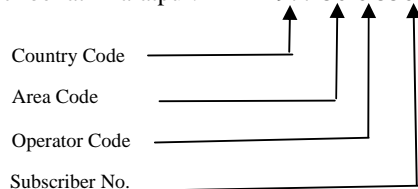
The following numbering plan has been devised and provided to the service providers that require numbering by the Authority to operate such telecommunication services.

12.1 **Nepal Doorsanchar Company Limited (fixed line)**

Operating Area	Country Code	Area Code	Operator Code	Exchange/Subscriber Number
Kathmandu Valley	977	X	Y(4,5,6)	ZZZZZZ
Outside KTM Valley	977	XX	Y(4,5,6)	ZZZZZ

For example:

1. A call to a subscriber in Kathmandu dial: +977-1-4-289201
2. A call to a subscriber in Patan dial: +977-1-5-552910
3. A call to a subscriber at Bharatpur: +977-56-6-55621



made available to the rural users through the means of small service providers.

3.2.9 **Persons Who Are Engaged in the Development Activities Shall be Caused to Use Information and Communication Technology Fully**

In developmental activities such as rural development and infrastructure building work in order to bring effectiveness, the governmental and non-governmental person and entity shall be made obligated to extensively use the information and communication technology such as Internet by developing necessary capacity up to the district and village level.

3.2.10 **Commercialization of the Nepal Telecommunication Corporation**

In connection with the commercialization of the Nepal Telecommunications Corporation, the Corporation shall be converted into a company and the ownership of His Majesty's Government shall be gradually decreased. In order to enable it to face the increasing competition, various reform programmes shall be conducted to make the company proficient.

3.2.11 **Institutional Development for Implementation of Policy**

The institutional development shall be gradually set up by increasing human resource and economic capacity of the Ministry of Information and Communication and the Nepal Telecommunications Authority for successful implementation of the Telecommunication Policy. In connection with the formulation and implementation of policy and law pertaining to the information and communication technology, role and responsibility of the Ministry of Information and Communication and the Ministry of Science and Technology shall be clearly defined by avoiding duplication.

### **3.2.12 Economic Efficiency of the Telecommunication Sector**

Emphasis shall be given to increase economic efficiency of the telecommunication sector by creating an environment that promotes healthy competition among the telecommunication service providers.

## **4. Constitution of the Authority**

Nepal Telecommunications Authority consists of five members from technical and administrative area related to telecommunication service along with one fulltime chairman. A person with experience in telecommunications service in technical, administration, market management, accounting and auditing or legal related fields who has at least a Bachelor's degree from a recognised university in any of the above fields is entitled to be a Member or Chairman of the Authority. In the case of the Chairman, the experience should be at least 10 years and to become a Member, the candidate must have an experience of at least 7 years in any of the specified fields above.

His Majesty's Government shall constitute a committee comprising of experts from the related sectors, to make recommendation for the appointment of the Chairman and Members of the Authority and His Majesty's Government shall on the recommendation of the said committee appoint the Chairman and Members of the Authority.

The tenure of the service of the Chairman and Members appointed in this way shall be of five years and in case the committee mentioned above recommends for the reappointment of the Chairman and Members indicating their performance to be satisfactory, His Majesty's Government may reappoint him/her to the post of Chairman and Member.

## **Consultancy Services:**

### **1) NTA # 01 Licensing Regime**

With the objective of revising and updating the Authority's existing Act, Regulations and the terms and conditions of the licensing regime, the Consultant M/s McCarthy Tetrault LLP, Canada was selected by means of a tendering process. To execute the above-mentioned tasks, the consultant has already submitted its report on the improvements that can be carried out in the Act, Regulation, and licensing regime. The study for the implementations of that report is continuing.

### **2) NTA # 02 Tariff and Interconnection Regime**

Under this regime, the work has been started with the agreement between the Authority and M/s Spectrum Strategy, UK, the consultant selected through a tender process to revise the Telecommunication Service charge and an interconnection agreement that has to be done between the service operators, hence making them up to date. Study of the inception report provided by the Consultant is in process now.

### **3) NTA # 03 Development of Public Consultation Process**

With the objective of making customers of Telecommunication service informed and aware, the consultant M/s World of Training, London, UK, selected by means of a tender process, has already submitted its final report based on their findings from the data collected from the survey conducted by the consultant with more than 200 customers of Kathmandu valley about the quality of telecommunication service, their grievances and suggestions. Similarly, two workshops and one public hearing by inviting customer forum, journalists, customers of telecommunication service, service operators and representatives from His Majesty's Government were conducted for the data. The report of the consultant is under study.

with the interest in the fiscal year 1999/2000. After the fiscal year 2000/01, the Authority has till date neither taken any loan from the government nor owes any amount to the government.

## **10.2 Income, Expenditure Situation**

The amount required for its operation in the early years of the Authority's establishment was obtained only from the fiscal year 1998/99 onwards, when it started issuing license. Because of this, it started its operation in the early years by obtaining loan from His Majesty's government. After that, in the years that followed, the Authority has been able to operate from its own resource and has already paid as advance-tax a sum of Rs. 34,952,000/- till the fiscal year 2002/03. A comparative income statement details and balance sheet of the Authority for the year 2002/03 is shown in Annex 2.

## **11. Special Rural Telecommunication Programme**

Under a Special Rural Telecommunications Programme, with the aim of installing a minimum of 2 telephone circuits in the 534 unserved village development committees of the Eastern Development Region, under the telecommunication sector reform project, an agreement between His Majesty's government and the World Bank was signed on February 5, 2002. To operate this programme through a tendering process, STM Telecom Sanchar Pvt. Ltd. was awarded the license with a subsidy of US \$ 11.865 million on November 21, 2003. In this process, the service operator has already completed its first phase of work by installing a hub station in EDR on April 15, 2004 as stipulated in the agreement.

In order to strengthen NTA by means of the NTA Strengthening Programme, five consultants have already been selected and in the process of the consultancy, the following progress has been achieved.

## **5. Functions and Duties of the Authority**

Nepal Telecommunications Authority is not a service provider; instead it is an autonomous telecom regulatory body. Hence, to make the telecom service reliable and easily accessible, it will perform the following tasks by involving private sector to make the telecom sector regular and systematic in a healthy competitive environment:

### **5.1 Granting of License**

After the commencement of Telecommunication Act 1997, no one may operate any kind of telecommunication service without obtaining license, hence it is made mandatory to obtain license from Nepal Telecommunications Authority before operating telecom service. To obtain such license, there are three types of clauses in the Telecommunication Act 1997 as follows:

- (1) According to the first provision, a person or institution that has been providing telecommunication services before the commencement of this Act, shall be required to submit an application to the Authority for the Licence setting out the particulars relating to the services being operated by them, within six months and shall be obliged to receive the licence within one year from the date of the commencement of this Act.
- (2) According to the second provision, application, in the prescribed form by the Authority, may be submitted at any time by the service providers to obtain the licence to operate the various telecommunication services which have been published in the Nepal gazette by His Majesty's Government on the recommendation of the Authority before operating the services. Till date on the recommendation of the Authority, His Majesty's Government has opened 16 categories of value-added services for licensing for the general public by publishing the notices in the gazette. The number of licenses for the operation of these services has not been restricted yet to allow private sector participation and

make the above mentioned services easily accessible to the public in a healthy competitive environment.

- (3) According to the third provision, except for the services for which the license has been opened for operating the services which has been published in the gazette by His Majesty's Government on the recommendation of the Authority, before granting the license relating to any other telecommunications service, first the number of licences to be issued for such service, type of telecommunication service, capital needed to operate the service, technical expertise, professional efficiency etc. should be determined and published in a public notice specifying the time limit to submit application for the licence. And after such a notice has been published, the person, national or foreign service operator who opts to operate the telecommunications service in pursuant to this Act shall have to submit a project document incorporating a financial and technical study reports as well as an application incorporating all the other formalities mentioned in the public notice. The license shall be issued under article 24 of the Act in accordance with the procedure of the selection criteria determined by the Authority.

## **5.2 Involving foreign and national private investors**

Keeping in harmony with the concept of economic liberalisation and globalisation taken by the country, to promote local investment and attract foreign capital and technology in the telecommunications sector for the development of the nation, it is also the NTA's job to attract foreign investors along with the private sector by implementing the policy of liberalization to create an environment of healthy competition to attract foreign investment in the telecommunications sector for providing telecommunications service that is of high standard, reliable and accessible to all.

Similarly, mobile telephone service has been categorised in two divisions as post-paid and pre-paid. The minimum charge for post-paid service is Rs.500/- per month with a maximum of Re.1/- per 15 seconds pulse for outgoing call and maximum of 50 Paisa per fifteen (15) seconds pulse for incoming calls. In pre-paid mobile service, calls can be made for a maximum of two months for Rs.500/-. The tariff of the pre-paid service is a bit more expensive than the post-paid. In radio paging service, the charging rate fixed by the companies is a flat rate of Rs.250/- per month.

The detailed information of different organisations licensed by the Authority to operate different telecommunication service is found on Annex-3.

## **10. Financial Situation of Nepal Telecommunications Authority**

The main source of income of Nepal Telecommunications Authority for its operation is the license fee, renewal fee, amendment fee, and fee for sale or transfer of license that is obtained from the service operators. Similarly, according to the Act, the amount received from His Majesty's government, amount received as grant from foreign government, organization or association can also be deposited in the Fund of the Authority.

There is provision that the money required for the daily operation of the Authority can be spent only after the budget prepared for each fiscal year is passed by the Board. The account of the Authority is maintained according to the prevailing law and auditing is to be done by the office of the Auditor General.

### **10.1 Loan and Disbursement**

The loan that has been taken by the Authority in the year of its establishment (fiscal year 1997/98) from His Majesty's Government at the rate of 8 percent per annum has already been paid back along



Among the above mentioned services, the customers of basic telecommunication service, WiLL telecommunication service, mobile telephone service, Internet/E-mail service, radio paging service, GMPSC Service has reached 394,642; 14,211; 130,000; 170,000; 12,650 and 353 respectively till April 2004.

Due to the liberal policy taken by His Majesty's government and Nepal Telecommunications Authority, which has been established on 1998, the effect on the price of the Internet/E-mail service can be taken positively. Tariff for the Internet service before the establishment of Nepal Telecommunications Authority was Rs. 5000/- per month, which has now come down to Rs.1000/- per month. Similarly, depending on the usage, previously it was Rs.8/- per minute but now it is even less than Rupees Rs.1/- per minute. Similarly, previously if used above the specified time limit, the charge used to be between Rs. 5/- and Rs.10/- per minute, now it is costing less than Rs. 1/- per minute. Nowadays, it has even been possible to browse the Internet/E-mail at Rs.15/- per hour in the Cyber Cafés.

Tariff of basic telephone service and mobile telephone service is being revised continuously for balancing. The previous domestic trunk tariff dependent on five different categories such as 0-25 Km, 25-50 Km, 50-100 Km, 100-200 Km and 200 Km and above respectively has now been changed to three categories namely, 0-50 Km, 50-200 Km and 200 Km and above. The tariff varies from a minimum of Rs.1/- to Rs.9/- per minute depending on time of day and distance. The minimum monthly charge for a local telephone has been fixed at Rs.200/- excluding taxes, out of which 175 free calls can be made. Calls made beyond 175 are charged at Re.1/- per call. Depending on the time of day, the duration of a call is specified as 2, 4 or 8 minutes. Budget call system is also being used for the benefit of the customers.

### **5.3 Make telecommunication service easily accessible**

It is the task of the Authority by regularizing the services and approving the tariff under healthy competition for the services provided by the private sector as well as by the foreign investors to cause to extend the basic telecommunications service as well as the value added services to all cities and rural areas of the country.

### **5.4 Cause to operate high quality telecommunication service**

In order to operate high standard of telecommunication service, prior to issuing license to operate the telecommunication service, different tasks such as fixing the standard for services, standard of telecom service related equipment, quality of service and acceptance of the same is done. Hence, it is the Authority's duty to get acquainted with the new technological development and its use, do research work, do inspection, do investigation and develop skilled manpower and cause others to do so as well.

### **5.5 Coordinate between service operators**

For providing telecommunications services and facilities to all the public at large and to facilitate a complete development of the telecommunications sector and to create a healthy competitive environment there should be no discrimination between the service providers and there should be no favouritism towards any operator and as needed must act as a good coordinator between the operators. Hence, when a dispute arises or an obstacle is surfaced between operators while operating their services, it is NTA's responsibility also to effect an amicable resolution of the dispute and obstacle, by maintaining a neutral stance towards both the parties and facilitating mutual coordination.

### **5.6 Protect the right and benefit of the consumer**

In the process of making the telecommunication sector regular and systematic, the telecommunication service charge, quality and access of service, the inconveniences caused to the customers and the protection

of rights of the customers must be taken into account while developing and expanding the telecommunication sector. Hence, it is also the task of the NTA to regulate and approve the service charge and monitor if the quality of service for the provided services is appropriate or not and accordingly regulate.

### **5.7 Disseminate the information**

Nepal Telecommunications Authority should keep its operations transparent as well as disseminate the information to the public. It should inform the service operators about the decisions taken by it regarding the operation of the services as well as provide information about the procedures implemented by various countries of the world in operating the telecommunication services. Similarly, it should provide information to customers about the telecommunication services that can be licensed, use of new telecommunication technologies and the direct or indirect benefits that can be derived from them as well as the tariff of such services. Similarly, NTA should also inform His Majesty's Government about the activities conducted by it in the form of an annual report. In like manner, using appropriate media, it is also NTA's task to disseminate information to the service operators, consumers and His Majesty's Government about its activities.

### **5.8 Recommending to His Majesty's Government while drafting Policy, Plan etc.**

Alongside the development of telecommunications in the country, for the purpose of regularization and systematization of the telecommunication services, NTA shall also recommend as and when needed to His Majesty's Government on the policy, plan and programme to be adopted by His Majesty's Government. Working between the three wings, namely, the telecommunications operators, the telecommunications customers and His Majesty's Government, its acquired experience being very useful for drafting the policy, plan and activities for the development of the telecommunication sector, NTA

### **9.2.11 Rural Telecommunication Service**

Due to the difficult geographical terrain of Nepal, the development and expansion of telecommunication sector seems more important in comparison to other developmental infrastructures. The development of a village will be possible only if the rapid worldwide development of technology and its usefulness and the opportunities created by it are accessible to the rural areas. Keeping this in mind, His Majesty's government of Nepal has adopted the policy of providing basic telecommunication service in remote and extremely remote areas as well as in all the rural areas of Nepal. In accordance with this same policy, a target of providing at least two telephone circuits in each VDC has been taken. STM Telecom Sanchar Pvt. Ltd. has already been licensed to operate telecommunication service in the Eastern Development Region (EDR) of Nepal to provide telecommunication service and to exhibit the rapid development of the telecommunication technology in each and every village by involving the private sector as well. Arrangement has been made to provide telephony in the 534 unserved villages in the EDR by providing subsidy for the provision of the telephone service. STM has already completed the installation and activation of a Hub operation as part of its first phase. In the near future, those VDCs will soon be provided with the telephone service.

To provide telecommunication service in other development regions, NDCL has already provided telecommunication service in 1919 VDCs out of the 3915 VDCs by running a special Rural Telecommunication Programme. In the coming days also, it has the aim of continuing this programme. No one can refute the fact that extension of telecommunication service will save time and money of the villagers.

send Fax just by using computer and telephone; hence investment on fax machine is saved. The service charge that was being incurred before for sending Fax abroad has been reduced after the use of the Fax Mail service. Because of this, the use of this service has been increasing day by day. His Majesty's Government will also receive the royalty as paid by other telecom service operators; hence increase in the revenue collected can be taken as an achievement.

### **9.2.9 GMPCS Service**

It is very necessary to use satellite technology to provide telecommunication service in every part of a country like Nepal which has a very difficult geographical terrain. With the objective of operating reliable and round the clock domestic and international telecommunication service by the use of suitable technology, even from the remotest place of the country without any hindrance, the Authority has granted two licenses to the private sector to operate GMPCS service. This service is predominantly used by NGOs and INGOs since communication can be established from any part of the country. This has encouraged the NGOs and INGOs to operate at the village level. The total number of customers of this service has reached 353 till date. After the commencement of this service, royalty, VAT, excise duty, income tax etc. obtained by His Majesty's Government has increased.

### **9.2.10 Local Data Network Service**

To operate this service, only one organisation has been licensed. This service will be very useful to exchange data between corporate offices or between branches/sub-branches of an office.

with its experience is ideally suited for doing the work related to policy and planning.

### **5.9 Other works**

Apart from the above mentioned tasks, to regulate and systematize telecommunications sector, NTA shall work on frequency related matters as set by the Radio Frequency Policy Determination Committee as stipulated in the Telecommunication Act 1997. It should also develop or cause to develop Nepal as an international transit for telecommunications and shall do all the necessary and appropriate work for the development and promotion of the telecommunication services.

## **6. Power of the Authority**

Nepal Telecommunications Authority has been given the following powers by Telecommunication Act 2053 to do the jobs mentioned in the Telecommunication Act 1997 in a systematic manner. These powers can be divided into three categories.

### **6.1 General Power**

To regulate and systematize telecoms related services in accordance with the Telecommunications Act 1997 NTA has been granted the following general powers from among the allocated powers:

- For the provision of the telecommunication services in a reliable manner, the authority shall determine the quality and standard of machine, equipment and facilities used in this service and that of the telecommunication service as well. Minimum quality of service shall be specified while providing license to the telecom service providers and it is service operators' obligation to operate the service according to the prescribed quality of service.
- In the process of implementing the policy, directives and programs etc. in a practical manner which has been enacted by His Majesty's

Government of Nepal, NTA can issue different types of directives and orders to its licensees as and when needed and it is the service operator's responsibility to follow such orders and directives.

- If it deems necessary, NTA can at anytime inspect as well as investigate the working procedures and the services operated by the licensee. While monitoring or inspecting in this way, NTA shall check if the license conditions have been met or not; required quality of service has been provided or not; to check how the telecom service charge has been levied and see if it is within the permitted criteria or not; what sort of agreements have been done between service operators and customers; if the service provider is paying the required royalty fee and the amount that has to be deposited in RTDF fund is being deposited in time or not; what is the working plan of the service operators; how much capital service operators have invested; what is the position of the manpower; total number of subscribers etc. It is the main responsibility of the related service operator to allow such monitoring and inspection and provide all the requested information, details and documents.

## **6.2 Legal Power**

As stipulated in the Telecommunication Act 1997 , Legal Power has also been granted to NTA to settle disputes between operators as well as between operators and customers for regulating and systematising the telecommunication service which are as follows:

- The authority has been given the power to settle disputes relating to the telecommunication service between licensees or between the licensee and the customer.
- If a person contravenes the provisions of this Act or the Rules made there under or fails to uphold the orders or directives given by the Authority, the Authority may levy a fine of up to fifty thousand Rupees to such person, and if any loss or damage has been caused to anybody due to such offence, the Authority may cause to realise

## **9.2.6 Radio Paging Service**

This Radio Paging service has been opened to the private sector after the establishment of the Authority to add a new dimension to the telecommunication service. Till now, five organisations have been granted 8 licenses to operate the service in different development regions after private investors were encouraged to operate such service. The licensed organizations are operating their service in a competitive environment by investing capital and manpower and creating employment opportunities. Operation of this service in such a competitive environment has provided an opportunity for the customers to choose and use a good quality service at a lesser price. The income of NDCL from local telephone has also increased after the development and expansion of this service. Similarly, availability of royalty to His Majesty's Government that has to be paid by all telecom operators and the increase in custom duty, value added tax etc. with the expansion in this service can be taken as a positive sign.

## **9.2.7 Video Conferencing Service**

Only one organisation has taken license to operate this service now. The only license holder of this service in Nepal is the office of the World Bank. Even though it is considered necessary to operate this service, it has not been able to take off due to the higher cost of this service in comparison to other similar types of telecommunication services or perhaps due to lack of sufficient information about this service to the general public.

## **9.2.8 Fax Mail Service**

The licensing of this service has started only after the establishment of the Authority. Six institutions have been licensed to operate this service till date. After the commencement of this service, customers having computer don't need a separate Fax machine for sending Fax. Using this service, customers can

this service in a commercial way seems to have brought financial benefit to both companies and customers.

After the commercial involvement of the VSAT Network service provider, it has brought momentum to the investment of the private sector, opportunity for employment, reduction of tariff in the lease circuit, levy in the form of royalty to the government just as by any other service operator, in addition to its aid in the increment in the value added tax, excise duty, and income tax. These can be seen as an accomplishment of the Authority.

#### **9.2.5 VSAT Users**

This service is operated by taking a VSAT link from a VSAT network provider to ensure that the smooth operation of educational enterprises, banks etc. inside the kingdom of Nepal is not hampered by the deficiency of the existing telecommunication service. This service is not foreseen for commercial operation; instead a VSAT link is taken solely for the user's own use from a VSAT network provider licensed by the Nepal Telecommunications Authority. Seventy different associations/organisations have taken license for this service for their own private use. There is provision that a VSAT user shall not allow any other person or association/organisation to use the VSAT link licensed to it for any commercial or other purposes.

In this way, VSAT users have the opportunity to choose a VSAT Network provider to set up a high standard VSAT link at a reasonable price in a competitive manner from among the VSAT Network providers. This can be seen as an achievement of the Authority after its establishment by the private sector for operating the telecommunication service.

the amount of such damage or loss or also the compensation thereof from the offender.

- If any person operates the telecommunications service without obtaining a license pursuant to this act or operates the telecommunications service without complying with the terms and conditions mentioned in the license, the Authority may levy a fine of up to five lakhs Rupees to such person and may also cause to stop such act.
- If a person misuses or without authority uses the telecommunications service or causes loss or damage to any property related to the telecommunication service, the Authority may realise the amount of such loss or damage and may impose a fine according to the amount.
- If a person abuses, threatens, or causes unnecessary harassment through the telecommunications service, the Authority may levy a fine of up to twenty five thousand Rupees to such person and may also cause to stop such service.
- If the person acts intentionally to cause adverse effect, damage or cause any other loss or damage to the telecommunications line, telecommunications system or the equipment or any other structure related to such telecommunications line or telecommunications system or induces for such acts or attempts to do such acts, such person may be fined with an amount equal to loss or damage as well or punished with an imprisonment for a term not exceeding five years or with both punishment according to the degree of crime. In such cases His Majesty's Government shall be plaintiff and such cases shall be deemed to be included in Schedule -1 of the Government Cases Act, 1992
- In the course of extending, repairing the telecommunication service and various related works while extending the telecommunication service, the licensee shall pay the compensation to the land-owner

for fixing the pole or mast and for keeping other equipment in their private land. A person not satisfied with the amount of compensation may submit an application accompanied with reasons to the Authority within fifteen days of the receipt of the notice thereof. The decision of the Authority in this regard shall be final.

### **6.3 Power to Settle Dispute**

Apart from General and Legal powers, the Authority has been given additional Power to arbitrate during dispute by the Telecommunication Act 1997. The Authority shall arbitrate during disputes relating to the telecommunications service between licensees or between a licensee and a customer. In the process of arbitration there shall be 3 members in the committee comprising one representative from the Authority who will be the chairman and the other two members shall consist of one member each from the two disputing parties. The arbitration committee so formed shall itself manage its working procedure to settle the dispute and shall take the decision within 15 days, and the decision taken by this arbitration committee shall be binding on both the parties.

## **7. Organisational structure of the Authority**

The organizational structure of the necessary skilled manpower to conduct its function in a streamlined manner has been shown in the organisational chart in Annex 1 where NTA Board is the highest authority followed by Manager, Deputy Manager, Assistant Manager and Office Assistants. To conduct the daily work of the Authority in an organized manner, following departments have been established whose primary tasks are listed below:

### **7.1 Finance and Administration Section**

The main responsibilities of this section are to prepare the necessary budget and annual programme for running daily operation of the Authority; to do economic evaluation; maintain accounts' ledger; to keep records of physical assets and consumables and to take appropriate

E-mail) service can also be availed through cable or wireless technology in lieu of the telephone line, corporate clients have been able to use this high quality service with ease.

Because every service operator has to pay four percent of their gross income to His Majesty's Government as royalty, this service has helped to increase the revenue collected by His Majesty's Government. Different taxes in the form of value added tax; income tax etc. has also helped to increase the revenue of His Majesty's Government due to the development and expansion of this type of service. After the operation of this service by the private sector, the present tariff structure which has been fixed due to healthy competition seems to have gone down comparatively.

In the comparative study, the reduction in the tariff, increment in revenue, investment in the Internet (with E-mail) service by the private sector, growth in employment, and increment of customers of this service etc. can be seen as the achievements of the Authority after its establishment.

### **9.2.4 VSAT Network Provider**

Till now 10 organisations have started this business after taking the license since this service had been opened to the private sector by the Authority to operate as a VSAT Network Provider with a commercial approach. After they have come into operation, Internet (with E-mail) service providers, institutions that provide Fax mail service etc., educational enterprises that operate telecommunication service by taking leased circuits, banks etc. have been able to perform their tasks smoothly without having to depend upon the basic telecommunication service. The monopoly of NDCL's charge on its leased circuits has ended after this service was started in a commercial manner. Operating

NDCL. By issuing license to NDCL for this service Nepal Telecommunications Authority has for the first time facilitated the introduction of Cellular Mobile Service in the country. Customers are being attracted to this service since this is easy to use than other services and also because of its usefulness and benefits. The customer of this service has already reached around 179,126.

Necessary processes are being carried out to issue one more license by means of a tender process from among the private sector for operating Cellular Mobile Service throughout the Kingdom of Nepal based on GSM technology. This could reduce tariff through healthy competition, hence benefiting the customers and also increasing the revenue collected by His Majesty's Government.

### **9.2.3 Internet (with E-mail) Service**

Licence to operate this service has already been obtained by 26 service operators. After the establishment of the Authority this service has been operated in a healthy competitive environment with an increased involvement of the private sector. Investors from private sectors are taking keen interest to operate this service. Because of this, the tariff for this service has gone down so that on one hand customers have received more benefit and on the other hand customers have received opportunity to choose the service with good quality and lower tariff. Those with low income, who cannot afford to have access to the Internet service at their own home, can also use this service at lower price from P.C.Os and Cyber Cafés.

Development and expansion of the Internet (with E-mail) service has not only benefited service operators and customers but is seen to have increased the use of the telephone of NDCL. With the development and promotion of technologies, since Internet (with

protection measures; to manage manpower as well as to perform the daily administrative work.

### **7.2 Engineering Section**

The prime responsibilities of Engineering Section is to study and evaluate the technical details of the document of an applicant that desires to operate a telecommunication service and to perform works related to frequency management, the quality of service of the equipment and services related to telecommunication, the numbering plan, interconnection etc.

### **7.3 Consumer Section**

Consumer section mainly deals with the matters that are directly related to consumers such as doing necessary work for the rights and benefits of consumer, dissemination of information, study and evaluate and sanction the tariffs of different telecommunication services, collect the grievances of consumers through interaction and do the necessary work to solve such grievances etc.

### **7.4 Licensing and Rural Telecommunication Section**

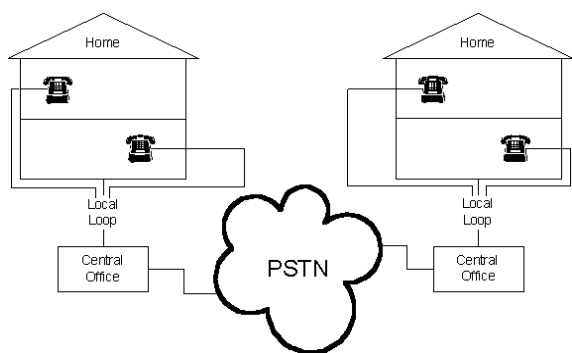
The main responsibilities of this section is to evaluate the applications tendered to operate telecommunication services and issue license according to the Act and Regulation and thereafter to monitor and inspect if the telecommunication service is run in accordance with the terms and condition of the license or not. Also, the programs for operating Rural Telecommunication service are overseen by this section.

### **7.5 Legal Section**

The main tasks of this section are to provide necessary legal advice on the various activities of the Authority and to plead on behalf of the Authority against complaints and cases against the Authority.

## 8. Brief Introduction of Different Telecommunication Service

### 8.1 Basic Telecommunication Service



The main objective of any telecommunication service is to transmit information from one place to another. Among the various telecommunication services, voice communication is the main. Hence, local telephone service, domestic trunk telephone service, international telephone service falls under this basic telecommunication service.

From among the basic telecommunication services, for the time being, license for an additional operator for operating the local telephone service throughout the Kingdom based on Wireless in Local Loop (WiLL) technology has been issued to United Telecom Limited (UTL) through the process of tendering with the intention of using the private sector to compete with the Nepal Doorsanchar Company Limited (NDCL).

#### Basic telephone based on Wireless Local Loop Technology (WiLL)

To enable contact between two customers through telephone, apart from a telephone set used at home, a pair of wire is needed from customer's house to a local telephone exchange. Since a pair of telephone line is needed from each customer, to the exchange, the greater the number of subscribers the greater will be the number of wires in the same ratio. With the objective of providing telephone to customer's premises, duct

## 9.2 Present status of currently running Telecommunication Services

The present status of different telecommunication service licensed by Nepal Telecommunications Authority is as follows:

### 9.2.1 Basic Telecommunication Service

As Nepal Doorsanchar Company Limited (NDCL, formerly Nepal Telecommunications Corporation) had been essentially providing the basic telecommunication service; it has been licensed to operate such service on January 26, 2001 as stipulated in the Telecommunication Act. Till now, the number of customers availing such service has reached 394,642. This service is virtually available throughout the kingdom of Nepal. In conformity with the Telecommunication Policy 1999 adopted by His Majesty's Government of Nepal, from among basic telecommunication services, United Telecom Limited (UTL) has been granted license on October 4, 2002 to provide local telephone service throughout the kingdom based on Wireless in Local Loop (WiLL) technology by means of a tendering process to create one more basic service operator apart from NDCL through competition between the private sectors. The subscribers of UTL have reached around 20,000 till date. Thus the customers of the Kathmandu Valley have the option of choosing their service providers from either the new company UTL which has been licensed or the NDCL which had monopoly in the basic telecommunication service. From this, it is felt that due to healthy competition the subscribers would benefit by the decrement in the tariff. From this the revenue of the government will also start increasing.

### 9.2.2 Cellular Mobile Service

After the establishment of Nepal Telecommunications Authority, license to operate Cellular Mobile Service based on Global System for Mobile Communication (GSM) has been issued to



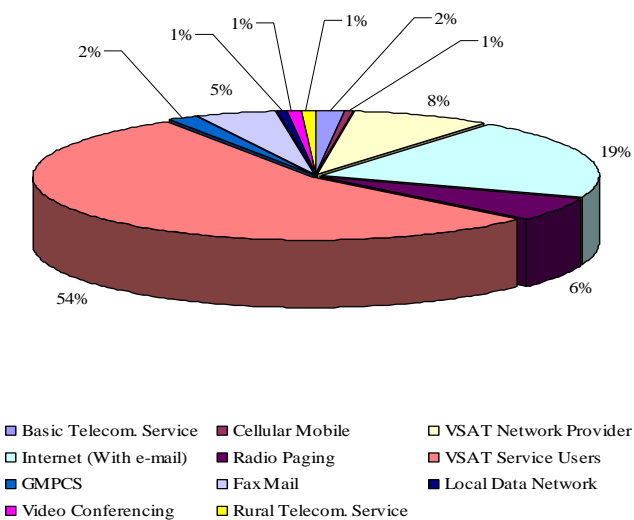
### 9.1 Licensed Services

S. No.	Description	Fiscal Year						Total
		2055/56	2056/57	2057/58	2058/59	2059/60	2060/61	
1	Basic Telecommunication Service	-	-	1	-	1	-	2
2	Cellular Mobile	1	-	-	-	-	-	1
3	VSAT Network Provider	2	4	1	3	-	-	10
4	Internet (With E-mail)	9	4	2	3	2	6	26
5	Radio Paging	1	5	2	-	-	-	8
6	VSAT User	1	15	8	11	15	20	70
7	GMPCS Service	-	-	-	-	2	-	2
8	Fax Mail	3	1	2	-	-	-	6
9	Local Data Network	-	-	-	-	-	1	1
10	Video Conferencing	-	1	-	-	-	-	1
11	Rural Telecommunication Service (RTS)	-	-	-	-	-	1	1
<b>Total</b>		<b>17</b>	<b>30</b>	<b>16</b>	<b>17</b>	<b>20</b>	<b>28</b>	<b>128</b>

**Table: 1**

The detailed information of organisations that has been licensed to operate different Telecommunication services is in Annex-3.

List of license for various telecom service provider as on Fiscal Year 2060/61 A.D. (In Percentage)



pipes will have to be laid underground through which telephone wire will be drawn as well as overhead cables will have to be suspended from poles to poles.

The use of wires by different service operators to establish their own telephone network in urban areas by laying underground duct and cables as well as suspending overhead cables in the urban area is not only difficult but can have adverse effect. Therefore, provision of issuing license to new service providers of basic services to operate their services based on wireless technology (Wireless in Local Loop) has been made. This technology is termed as Wireless in Local Loop (WiLL) because it establishes telephone connection from the telephone exchange to customer's premises by means of radio waves without using wires.

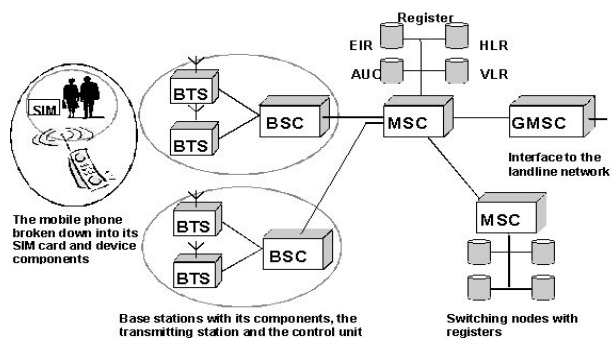
It takes years for new service operators to start operating their service if they opt to use wires. Hence, it is necessary for a new service operator from a rationale point of view to opt for WiLL technology in order to operate its service by competing with the incumbent operator. WiLL technology not only avoid using underground or overhead cables but also it does not necessitate using dropwires in the customer's premises. Since operating a telecommunication service based on wireless technology reduces the time consumed in setting up the service, it is possible to provide telephone connection to customers on the waiting list as well as to new applicants quite speedily. After the commencement of the telecommunication service based on WiLL technology, it has been possible to provide telephone immediately on demand in the served areas.

### 8.2 Mobile Telecommunication Service

After the invention of telephone, its technology, construction and use has been gradually developing till now. In this context, the latest development can be taken as the wireless technology. In the previous technology, it was necessary to use wires from telephone exchange to

customer's premises due to which it was necessary to fix the telephone at certain place and the caller was obliged to go to that place for making a call. By the term mobile telephony it is meant that it is not necessary for a telephone set to be connected at any fixed location; telephone set can be carried by an individual at any time and calls can be made from anywhere. Mobile telecommunication service is based on different technologies of which GSM (Global System for Mobile Communication), is one that is currently being used in Nepal. This technology is used in India as well as most countries of Asia and in almost all countries of Europe.

Human desires have increased in pace with the technological development. Expectation of telecommunication service anywhere and at anytime has been the demand of today's time. Mobile telecommunication service has been proved to be very useful and practical since it does not need wires and the terminal for communications is small and can be carried everywhere.



Radio waves are used instead of wires in mobile telecommunication service to transmit information. Its importance has been highlighted because a single set and the same number can be used anywhere in a country. Roaming facility has been a special feature of mobile telecommunication service. But this roaming facility can be accessed

(GSM) where satellite is used as base stations instead of that on the earth. Because satellite is used, the difficult geographical structure of any country does not hamper its users. Users will have round the clock coverage in the footprint of a Satellite.

It becomes necessary to use satellite technology to provide telecommunication service in all parts of the kingdom for a country like Nepal that has a very difficult geographical structure. Hence, with the objective of operating reliable and round the clock domestic and international telecommunication service by the use of a suitable technology even from the remotest place of the country without any obstacle, the Authority has granted license to the private sector to operate GMPCS service.

**9. Services for which license have been granted and their Accomplishments**

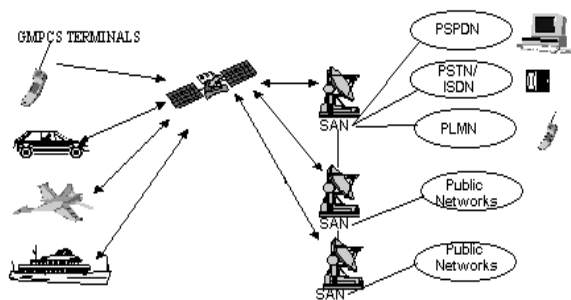
After the establishment of the Authority, the interested applicant to obtain license to operate different value added services of Telecommunication, could apply anytime and obtain such license. For this purpose, the Authority has prepared guidelines for different telecom services and has already granted license to 124 applicants to operate various values added telecommunications services according to such guidelines. Similarly, two licenses to operate basic telecommunication service, one license to operate Cellular Mobile service, and one to operate Rural Telecom Service with the objective of providing telephony in 534 VDCs of the Eastern Development Region has been given; hence a total of 128 licenses have already been issued. The numerical detail of the licenses issued by the Authority is presented in Table 1.

Service that is operated by installing a separate Base station and establishing a half duplex communication link between such base station and outlying area by using a specified frequency is called the Trunk Mobile Service. This service might be useful to provide communication facility between a taxi service operator and taxi drivers which will help to manage the operation of companies that operate taxi service, which is growing daily in urban areas. Taxi service operator can send or call its taxi anywhere it wants. This service is not only beneficial to taxi operators but also to the people who use this service since they can also call the taxi to their desired location. This service can also be useful for the Police.

**8.3.13 Video Conferencing Service**

Using Video Conferencing technology, two or more Video Conferencing users can interact simultaneously by the transmission of picture or voice. Any user using this service can avail the required information by sitting in his/her office or can send information to others. As this service can also be used in operations like Distance Learning, Telemedicine etc. persons from different walks of life can be benefited.

**8.3.14 GMPCS Service**



GMPCS (Global Mobile for Personal Communication System) technology is a type of service that is similar to Mobile System

only after an agreement between two service operators using the same technology.

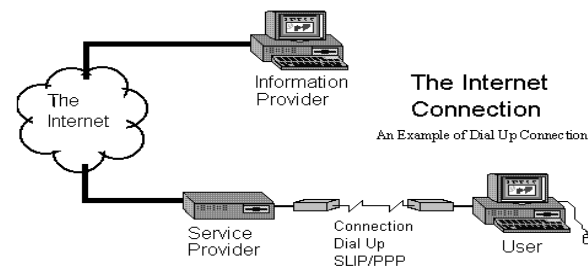
The small hand-held set carried by a customer is equipped with a transmitter, a receiver and an antenna for both transmitting and receiving radio waves. Actually, apart from voice communication, different services like SMS (Short Message Service), MMS (Multimedia Messaging Service), voice mail, Internet etc. can be used through the mobile terminal.

Because it need not be connected in a particular place and can be taken anywhere, its use has been continuously increasing in Nepal where the mobile telecommunications service has been established since 6 years. More customers are seen to be attracted to mobile service in this period.

**8.3 Value Added Telecommunication Services**

After the establishment of Nepal Telecommunications Authority, with the objective of making Telecommunication service easily accessible by healthy competition and also to involve private sector in this service, the following value added services of telecommunication has been opened for private sector in accordance with the Telecommunication Act 1997. The brief description of the opened services is as follows:

**8.3.1 Internet Service**



Internet is a global network where computers at any corner of the world can be interconnected with each other. It is possible to see the contents of one computer from another computer

connected to the network. This service can be availed by getting connected to the server of an ISP (Internet Service Provider) by means of telephone or any other medium. Internet Service is spreading rapidly in the world. Its customers are also increasing day by day. It has already become one of the most necessary and fruitful service that can provide information on any subject to offices, organisations, students, businessmen and even for the households. Not only for the exchange of information, it has also become a reliable medium to buy and sell goods just sitting at home.

### 8.3.2 E-mail service

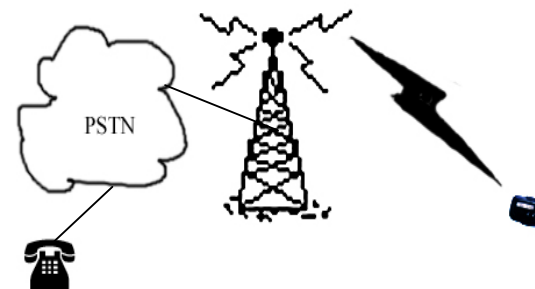
E-mail, i.e. Electronic Mail means sending mail through the use of computer. In this service by connecting to the Server of an Internet/E-mail Service Provider using telephone or any other medium e-mail can be sent to any person (who has subscribed this service) residing on any part of the world. Since E-mail service is very fast and cost-effective way of exchanging information, popularity of this service has increased quite a lot.

### 8.3.3 Audio Text/Voice Mail Service

Audio text service means a service providing previously recorded useful information on different subjects by means of the telephone. This service can be used to disseminate information on the horoscope, airlines ticketing, trekking, weather forecasts etc. To get information on the subjects used in this service, it is not necessary to travel to different places and because the required information can be obtained in a reliable manner at any time, it has business potential as well.

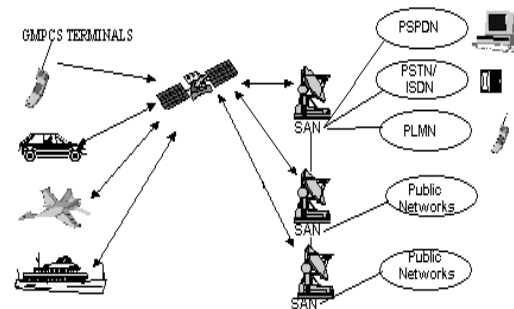
Voice mail service means the service that is provided by means of normal telephone or computer. Such service operators provide mailbox number to their customers. People record their

### 8.3.11 Radio Paging Network Service



From this service using the medium of radio waves communications link can be established while being at the workplace or any place outside the house. To send message to the subscriber of this service, first the message sender must establish his connection to the service operator of the receiver. Then the service operator will transmit the message to its destination via radio waves. To operate this service the service operator must establish its network. This service can be operated as a private or public enterprise. By public enterprise it is meant that the service provider will operate this service for the general public by taking service charge while by private enterprise it is meant the type of radio paging service that has been established for the use in hospitals or airport in a private capacity.

### 8.3.12 Trunk Mobile Service



### **8.3.8 Pay Phone Service**

To make basic telephone service available to those who don't have their own telephone, the service, provided by means of a public telephone at public and easily accessible places, is known as Pay Phone Service. This service is operated publicly by connecting a terminal (telephone set) to a telephone network where call can be made by using card, token, coin etc.

### **8.3.9 Prepaid Calling Card Service**

A type of telephone service which can be used by paying separate fee for each call as in Pay Phone or Coin Phone is a Prepaid Calling Card Service. To make a call using coin, a special type of telephone set is needed. Likewise, to make a call using Pay Phone card also, a special kind of telephone set of that particular company is needed. But, using Prepaid Calling card, call can be made from any telephone set.

### **8.3.10 Local Data Network Service**

The service that necessitates a network inside the main office and between branches of the same organisation or between two different organisations for information exchange is known as Local Data Network Service. To establish a network for the exchange of data and leasing a network line to the interested organisations within the service area, a license is required from the Authority to operate such a service. Radio Link or wire line or both can be used for the network that is necessary to operate this service. The main objective of this service is to provide the facility for exchanging data between corporate office and its branches and sub-branches.

information for the desired customers on their mailbox which then can be retrieved by the customers through their mailbox number at any convenient time. To operate this service, telephone lines, computers and recording equipment are needed. To provide information and messages in one's own voice to the desired person, even in his/her absence, is the main feature of this service. Since nothing other than a normal telephone line is needed to avail this service, this service seems to help a lot in today's context.

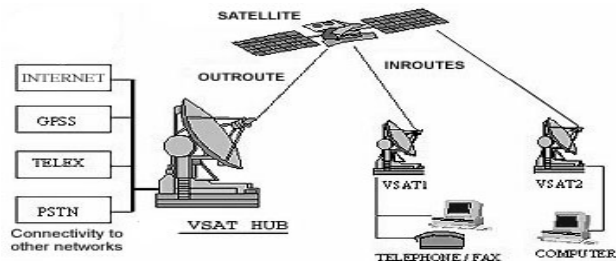
### **8.3.4 Video Text Service**

Video Text service designates a service providing two way interactive data transmission consisting of text or picture or home information retrieval system at slow speed through the medium of a telephone line. To operate this service, both computer terminal and telephone service is needed at the customer's end. This service can be used by airlines ticketing, telephone inquiry, banks, hotels, trekking companies etc. However, due to the proliferation of the Internet this service has not picked up.

### **8.3.5 Fax Mail Service**

Instead of using fax machine to send fax to the destination, sending fax by dialling a certain number of an ISP and sending it just as e-mail is known as Fax Mail service. This service is quite useful since STD, ISD rates do not apply making this service cheaper than normal fax and the receiver also receives the fax as a normal fax.

### 8.3.6 VSAT (Very Small Aperture Terminal) Service



This service can be operated by setting up a VSAT terminal or Hub Station inside or outside the kingdom of Nepal. The policy of giving license to operate this service has been taken to ensure that software exporters, Internet/E-mail/ and Fax-mail service providers, educational institutions, banks and other offices and organisations who operate telecommunication service using leased circuits etc. can carry their operations without any hurdle and their operations are not hampered by the shortages in the existing telecommunication service. At present, this service is only available for data communication. There is provision of two types of licenses in this service mentioned as follows:

#### 8.3.6.1 VSAT Users

For establishing a network between different places of an institution, to provide Internet service by an ISP, to use Internet service by an educational institution, it is possible to establish communication service via VSAT by acquiring a VSAT user's licence. This service user may not allow the use of the VSAT link taken for their own use to any other person or institution in any way.

#### 8.3.6.2 VSAT Network Provider

VSAT Network Provider can provide service to VSAT users by setting up a hub station or VSAT terminal inside or outside the Kingdom of Nepal. This service provider may establish the necessary network for data communication purpose on its own or may lease the network from another VSAT service provider. If data communication service is provided by establishing its own network, a separate license must be taken for local data network. This service provider must set up an office inside the Kingdom of Nepal according to Nepal's law to operate such a service.

#### 8.3.7 Audio Conferencing Service

A telecommunication service where it is possible to do meeting, discuss or run an interaction or a question/answer programme between people or groups of people located at different geographical locations through the medium of telecommunication is known as Audio Conferencing Service. To operate this service, a telephone line or a radio transmission link as well as a studio are needed to establish the connection. Since 63 out of the 75 districts in Nepal have telephone exchanges and the other remaining districts also have other media for telecommunications service, from the technical point of view, this service can be operated throughout the kingdom. However, from the practical point of view, this service can be operated more reliably in districts having a telephone exchange.