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No: 64-71/08-Broadband/

Dated 03-09-2010

To:

The CGMs (All the circles / Telecom districts)

Subject: Setting up the Broadband Kiosk in the rural areas - Agreement with USOF dated 20-01-2009.

This is in reference to the agreement signed by BSNL with USOF on dated 20<sup>th</sup> January, 2009 which envisages subsidy disbursement to BSNL for provision of wire-line Broadband connectivity in rural and remote areas from existing rural and remote telephone exchanges. The agreement also envisages subsidy to BSNL for setting up Kiosks within the Rural area from the DSLAMs installed in the Rural area.

BSNL shall receive around Rs. 20,000/- per Kiosk per quarter for three years from the date of commercialization of the Kiosk (around Rs. 240000/- per Kiosk). The kiosks can be set up on self owned/franchisee based model.

As on date, there is no progress by any of the circle for setting up the Broadband Kiosk. The agreement envisages that 10% of the Kiosk shall be setup by BSNL in a timeframe of two years from the date of agreement. CMD, BSNL has desired that all out efforts need to be made for setting up the Broadband Kiosks quickly. The circles need to make immediate necessary efforts for setting up the Kiosks as per the requirement of USOF agreement.

The field units may set up the Kiosks by themselves within the BSNL office premises/ telephone exchange building/ Customer Service Centers in Rural Areas wherever sufficient space is available for opening of such Kiosks. The equipment required for such Broadband Kiosks may be procured by Circle Heads within their available financial delegations and operations & maintenance of such Kiosks shall be by the circles as per USOF instructions / guidelines mentioned in BSNL-USOF agreement dated 20-01-2009.

The Kiosks are to be set up and run in compliance to all the terms and conditions as per the USOF agreement pertaining to the Kiosks. A summary of important clauses in the agreement is also attached for ready reference. However, the field units are requested to re-visit the agreement to ensure full compliance.

Please ensure that the mandatory requirement of setting up of 10% of the Kiosk (ensuring geographical distribution of at least one Kiosk in each SDCA) are definitely set up by Oct./Nov. 2010, to avoid any penalty from USOF.

(P.K. Shah)

DGM (P3/Commercial)