412, Bharat Sanchar Bhawan, Enterprise Business-II Cell Ph. 011-23765199 Fax. 011-23731760 Email: premjitlal@bsnl.co.in



04<sup>th</sup> Dec, 2009 BSNL/BD/Blackberry/3-80/2009

Chief General Manager All Telecom Circle/metro Districts

**Sub:** Blackberry handset on Installment to Enterprise Customers

Ref: UP (E)/EB Cell/Blackberry/2008-09/13 dated 05.10.09

BSNL has launched Blackberry services but response has not been as per expectation, because cost of the Blackberry Smartphone works as entry barrier for some corporate customers. Such corporate are demanding Blackberry handset on 12/24 monthly installment. Hence it has been decided to provide the Blackberry on monthly installment as given below:

## (A) Cost of handset

- a. 12 months Installment: An additional cost of 10% is to be added against various expenses and total cost (1.1 x handset cost) shall be recovered in first installment of 15% and remaining balance in 11 equal monthly installments by adding to their monthly bills.
- b. 24 months Installment: An additional cost of 20% is to be added against various expenses and total cost (1.2 x handset cost) shall be recovered in first installment of 15% and remaining balance in 23 equal monthly installments by adding to their monthly bills..
- (B) **Terms and Conditions :** The Blackberry Smartphone shall be provided for Enterprise customers subject to:
  - a. The scheme will be applicable for corporate customer (not retail customers) only.
  - b. Written authority should be taken from the concerned organisation on their letter head mentioning the subscriber as their employee and undertaking that in case of said subscriber being defaulter the company would reimburse BSNL for the defaulting amount.
  - c. Minimum commitment period of 24 months for the subscription of Blackberry Services.
  - d. Other terms and conditions would be same as per existing norms for Blackberry subscribers.

In addition to above, following points are also to be taken care by the circles:

- 1. While selling the products the Provision of VAT/Sale tax of the concerned state has to be complied with in regard to VAT/sale tax registration, periodical return, payment of VAT/sale tax, input credit for VAT etc.
- 2. As per Article 366(29A) of the Constitution as amended by the Constitution (46<sup>th</sup> Amendment) Act 1982 wef 02.02.1983. 'Tax on the sale or purchase of goods'

includes a tax on the delivery of goods on hire purchase or any system of payment by installments. Accordingly entire sale tax/VAT has to be realized on the Ist invoice and to be paid to the sale tax authority.

3. At the time of sale, the cenvat credit, if availed for the items has to be refunded to the Central excise department following the procedure laid down under rule 3(5) of the Cenvat credit rules 2004

It is requested that necessary action may be taken by all Enterprise units for enlisting more Enterprise customers for Blackberry services.

(R.S.Meena) AGM (EB-II)

Copy to:

- 1 GM (Enterprise-Circle) All Telecom Circles/Metro district for necessary action
- 2 DGM (Enterprise-UP(East)) UP(East) Telecom Circles for necessary action