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भारत संचार निगम लिमिटेड
(भारत सरकार का उपक्रम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

No: 64-17/09-BB (Pt-7)

Dated: 04-03-2013

To

All CGMs Telecom Circle / Metro Districts

Subject: Sale of rural broadband connection under USOF scheme on commission basis by existing DSA, CM & CFA franchisee

Administrator USOF has given a rollout target of approx. 9 lakh rural broadband connections under USOF subsidy scheme by 19-01-2014. However it has been observed that the connections are coming under this scheme on a very slow rate and BSNL has added only 4 lakh broadband connections (upto Dec 2012) since the inception of USOF Rural Broadband subsidy scheme. In view of not meeting the rollout target BSNL has to face the penalty as well.

For each connection BSNL gets front load subsidy and quarterly equated subsidy. It is also observed that the subsidy is admissible on net connections only, and is paid at quarterly frequency. Accordingly it is noted that there are eight eligible quarters in the life cycle of connection from subsidy perspective.

So in order to increase the number of broadband connection as well as retention of connection for atleast 2 years and also in order to secure BSNL interest, approval of competent authority is hereby conveyed that all circles may engage the existing DSA, CM & CFA franchisee for the sale of rural broadband connection under USOF scheme and for this, **each franchisee will get Rs 100 for net balance of connections acquired by him at the end of each quarter on net addition (net balance) basis upto maximum of 8 quarters (Rs 800/-)**

A ledger may be prepared and maintained by the SSAs concerned for each franchisee, in the following format on quarterly basis for payment:

| | Opening balance of numbers eligible for subsidy * | addition | surrender | Net balance | Commission to be paid @ Rs 100 for net balance |
|------|---|----------|-----------|-------------|--|
| | a | b | c | d | e |
| Q1 | 0 | 50 | 5 | 45 | 4500 |
| Q2 | 45 | 100 | 35 | 65 | 6500 |
| Q3 | 65 | 5 | 120 | 0 | 0 |
| Q4 | 0 | 50 | 8 | 42 | 4200 |
| . | | | | | |
| Q..n | | | | | |

Herein figures are given just for an example purpose.

*Numbers eligible for subsidy are those numbers which were acquired by the franchisee within last two years. Numbers are eligible for quarterly equated subsidy only for 2 years. Subsidy is available for net additions during the quarter i.e., (b-c) in the table above.

However circles may also ensure that the commission is paid for retained connections under USOF rural broadband subsidy scheme only. This payment to be made after due verification from BB unit of BSNL (SSA level).



(Anil Jain)
Sr GM (NWP-BB)

Copy to:

1. Dir (CFA) / Dir (CM) for kind information please.
2. USOF (Administrator) / DDG (Broadband) USOF, DoT for kind information please.