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

BSNL CO/DDG (BB)/ 64-115/10-S&M CFA

Dt: 4-10-2011

To,

**The CGM,
All Telecom Circles**

Sub: Disbursement of subsidy payment wrt the USOF PC Bundling Scheme – reg

Ref: (i) 64-115/10-S&M CFA Dt: 14-6-2011

(ii) End to End procedure for M/s HCL vide no 64-35/2009-Broadband dated 9.7.2010

(iii) End to End procedure for M/s Novatium vide no 64-73/08-Broadband dated 2.2.2010

Kind reference is invited to the above letters wherein the grievances of PC vendors namely M/s HCL and M/s Novatium were intimated that in various field units the subsidy/EMI payment of the PCs have not been paid to the PC vendors even after the receipt of the same from the USOF/customers against the particular PC.

The USOF subsidy(not EMI) data collected from PC vendors namely M/s HCL and M/s Novatium are furnished as Annexure A & B. The collected data were examined and it was noted that around 6 cr (89% of total due) is pending to be released to M/s Novatium and 2.10 cr (74% of total due) is pending to be released to M/s HCL against the PC subsidy for the PCs installed by them.

From the data received from the BSNL field units, enclosed as Annexure C it is observed that in eleven circles namely AP, Assam , Chattisgarh , Gujarat , Haryana , Jharkhand , Kerala , MP, UP(East), Uttaranchal and West Bengal, no subsidy has been received from USOF even after claim for the PCs installed by the vendors till date. The delay might be happening due to queries raised by CCAs and less pursuance of nodal officers with CCA. Such a huge delay of multiple years is totally unacceptable. Only in few circles namely Rajasthan, Chennai, KTK , J& K , Orissa , Punjab and Tamil Nadu , subsidy amount of around 90% of claim amount has been settled with CCA which clearly indicates that these circles have managed to implement the PC bundling scheme in an orderly manner and are pursuing their cases regularly with CCA. However these circles have not passed on the complete PC subsidy, received from CCA, to the respective PC vendor.

It may be noted that as per the end to end procedure defined for the USOF PC bundling scheme , the responsibility of subsidy claim for PC bundling rests with the nodal officer of BSNL Circle office . This includes claim of subsidy, receipt of subsidy from CCA and payment to PC vendors within a week/15 days time period from date of receipt of subsidy claim. From the above situation, it is inferred that due to improper handling of the responsibility by the nodal officer, the delay in the payment of subsidy to the PC vendors is hampering the progress of the USOF PC bundling scheme. Now PC vendors have virtually stopped working in many circles due to crunch of the capital available with the vendor.

CMD BSNL and Dir(CFA) has taken a serious note of this situation in bundling due to which deployment of rural broadband has also slowed down considerably thereby impacting BSNL revenues.

In view of the serious concerns as above it is advised that in case your unit has received the subsidy towards any particular PC from USOF, the case may be settled by 20th Oct,2011. All efforts shall be made to settle the pending subsidy claim with the CCA offices by 30th oct,2011 so that the payment may be forwarded to the PC vendors so that the vendors may be persuaded to start accepting the new orders to complete this year's USOF's target. Compliance report on above steps/action points may be sent to this office on or before 21st Oct,2011 and 31st Oct, 2011.

This may be treated as MOST URGENT please.



Sr.GM (NWP-BB)
NWP-BB Cell, CFA
BSNL CO

Copy to:

- (i) CMD BSNL for kind information please
- (ii) Dir(CFA), BSNL for kind information please
- (iii) USOF(A) for kind information please
- (iv) M/s Novatium
- (v) M/s HCL

The Payment status of M/s HCL as reported by M/s HCL under USOF PC Bundling scheme as on 4.10.2011
For Subsidy

Sl No	Circle	Orders Cleared	Total Shipped	Total Delivered	Total Installed	Total Docs Submitted	USOF Due	USOF Paid	USOF Pending
1	ANDHRA PRADESH	677	677	677	658	658	2961000	1975500	985500
2	ASSAM	48	47	47	47	47	211500	171000	40500
3	BIHAR	221	210	208	205	200	922500	242983	679517
4	CHATTISGARH	78	77	77	77	1	346500	49500	297000
5	CHENNAI	0	0	0	0	0	0	0	0
6	GUJARATH	538	535	534	532	454	2394000	0	2394000
7	HIMACHAL PRADESH	1078	1077	1074	1066	1065	4797000	2376000	2421000
8	HARYANA	75	75	75	75	75	337500	58500	279000
9	JHARKHAND	24	24	24	24	16	108000	0	108000
10	JAMMU & KASHMIR	0	0	0	0	0	0	0	0
11	KARNATAKA	135	135	135	120	90	540000	81000	459000
12	KERALA	1362	1357	1352	1326	1305	5967000	0	5967000
13	MAHARASHTRA	492	490	490	475	429	2137500	0	2137500
14	MADHYA PRADESH	68	68	68	65	64	292500	202500	90000
15	NORTH EAST I	3	3	3	3	0	13500	0	13500
16	NORTH EAST II	0	0	0	0	0	0	0	0
17	ORISSA	284	280	279	278	278	1251000	634500	616500
18	PUNJAB	57	57	57	56	56	252000	112500	139500
19	RAJASTHAN	464	464	462	458	445	2061000	1415340	645660
20	TAMILNADU	367	364	361	360	350	1620000	0	1620000
21	UTTARANCHAL	39	39	39	35	35	157500	0	157500
22	UP EAST	201	200	200	197	197	886500	63000	823500
23	UP WEST	88	88	88	84	83	378000	0	378000
24	WEST BENGAL	173	173	172	171	168	769500	0	769500
TOTAL		6472	6440	6422	6312	6016	28404000	7382323	21021677

The Payment status of M/s Novatium as reported by M/sNovatium under USOF PC Bundling scheme as on 4.10.2011

As on 04.10.2011					
S.No.	State	Billable	No. of	Ret.	Balance
1	ANDHRA PRADESH	1,615,500.00	359	0	1,615,500.00
2	BIHAR	922,500.00	205	0	922,500.00
3	CHENNAI	999,000.00	222	693000	306,000.00
4	Chhattisgarh	522,000.00	116	0	522,000.00
5	GUJARAT	432,000.00	96	0	432,000.00
6	HARYANA	11,938,500.00	2,653	457000	11,481,500.00
7	HIMACHAL PRADESH	5,755,500.00	1,279	0	5,755,500.00
8	Jammu and Kashmir	31,500.00	7	0	31,500.00
9	JHARKHAND	27,000.00	6	0	27,000.00
10	KARNATAKA	6,741,000.00	1,498	2322000	4,419,000.00
11	KERALA	166,500.00	37	0	166,500.00
12	MADHYA PRADESH	2,610,000.00	580	0	2,610,000.00
13	MAHARASHTRA	1,804,500.00	401	0	1,804,500.00
14	ORISSA	1,390,500.00	309	405000	985,500.00
15	PUNJAB	4,720,500.00	1,049	999000	3,721,500.00
16	RAJASTHAN	2,254,500.00	501	0	2,254,500.00
17	TAMIL NADU	7,510,500.00	1,669	837000	6,673,500.00
18	UP (EAST)	11,673,000.00	2,594	1205108	10,467,892.00
19	UP (WEST)	4,900,500.00	1,089	292500	4,608,000.00
20	UTTARAKHAND	1,552,500.00	345	0	1,552,500.00
21	WEST BENGAL	76,500.00	17	0	76,500.00
	GROSS TOTAL	77,622,000.00	15,032	7,210,508.00	70,411,492.00

Circle wise summary of USOF subsidy Claim/Settled - PC bundling

USO Subsidy Claim & Settled w.e.f. Q-4 (2008-09) to Q-1 (2011-12)

Circle	PCs Provided	Claim Admissible	Claimed amount	Claim settled	Claim disputed - Unsettled
Andaman and Nicobar	0	0	0	0	0
Andhra Pradesh	591	2659500	2659500	0	0
Assam	46	46	207000	0	0
Bihar	187	841500	841500	436500	0
Chennai Telecom Distt	200	0	900000	868500	31500
Chhatisgarh	123	522000	522000	0	0
Gujarat	455	2047500	828000	0	0
Haryana	1354	0	0	0	0
Himachal Pradesh	1853	5422500	5422500	1633500	3325500
Jammu and Kashmir	11	49500	49500	49500	0
Jharkhand	9	40500	40500	0	40500
Karnataka	1050	4716000	4716000	4162500	553500
Kerala	874	3933900	3933900	0	0
Madhya Pradesh	259	1161000	1161000	0	423000
Maharashtra	480	473	2160000	711000	607500
North East I	0	0	0	0	0
North East II	0	0	0	0	0
Orissa	382	1719000	1719000	1534500	0
Punjab	760	3420000	3420000	2709000	220500
Rajasthan	723	3253500	3253500	3073500	171000
Tamilnadu	564	0	2538000	2461500	63000
Uttar Pradesh (East)	1409	6340500	6340500	0	0
Uttar Pradesh (West)	506	0	0	0	0
Uttaranchal	256	1152000	1152000	0	0
West Bengal	130	585000	585000	0	0
Total	12222	37864419	42449400	17640000	5436000