



No 64-253/2019/NWP-BB/FTTH

Dated 12.04.2020

To,  
The CGMs  
All Telecom Circles/ Telecom Districts

**Sub: Modifications in the FTTH Policy – Regarding**

**References:**

1. 64-253/2013-BB/3 dated: 10.03.2014
2. 64-253/2013-BB/ dated: 27.01.2015
3. 64-253/2013-BB/ dated: 14.02.2017
4. 64-253/2017/NWP-BB/FTTH dated: 03.04.2018
5. 64-253/2017/NWP-BB/FTTH dated 24.09.2018

1. Open Policy (Case I to Case IV) based on revenue share for giving Telecom Services on FTTH has led to good FTTH growth in last one year. Large numbers of local franchise/Telecom Infra provider/Cable Operators have been engaged by Circles for providing FTTH service to the customers.
2. Based on the Suggestions received from the circles following addition/Alteration have been approved by the competent authority.
- 2.1 **Discontinuation of the Existing Case-I Model:** Case-I of the FTTH revenue share agreement shall be discontinued with immediate effect for New Franchisees.
- 2.2 **Introduction of Model IIA and Model III A:** Based on the suggestions from the circles necessity was felt to include the provisioning and maintenance of the overhead OF Cable backhaul in the existing Models namely Case II and Case III. Accordingly New Models Case IIA and Case-IIIA are introduced which shall include laying and maintenance of overhead OFC back haul from nearest BSNL pick up point in addition to existing responsibilities on part of FTTH Partner. The revenue share to the FTTH Partner in Model Case IIA shall be 25% and Revenue Share to partner under Case IIIA Model shall be 30%. Existing FTTH partners, working in Case-II and Case-III and territories having overhead OFC in backhaul route, will be given option to switch over / migrate to new proposed Case-IIA and Case-IIIA as applicable within 6 months. If any channel partner does not migrate to new proposed Case-IIA and Case-IIIA, the SSA head may review such cases to give opportunity to any new or other existing channel partner to take over territory of such non migrated cases.
- 2.3 There may be some territories in Case-II and Case-III with no requirement of overhead OFC backhaul route maintenance through partners, the channel partners of such cases will continue to work in Case-II and Case-III model. Also because of scarcity of Capex funds, for ONT, new connections under Case II and Case IIA model may be provided under Case III and Case IIIA model.
- 2.4 **Introduction of Maintenance Model Case V:** A maintenance model Case V is introduced for maintenance of the FTTH Connections provisioned by through BSNL Owned OLTs, access network fibre and ONT. The revenue share to partner for maintenance of already provisioned connections by BSNL shall be up to max 10%. New FTTH connections can be provisioned from the OLT under Case-II, Case-III, Case-IIA and Case-IIIA as the case may be.
  - a. In maintenance Case-V, if more than one FTTH partner is interested in a particular territory, the FTTH partner quoting the lowest revenue share % (below 10%) would be selected.
  - b. Further the SSA head will quarterly review the maintenance model to ensure that the FTTH partner retains the number of FTTH customers handed over at the time of

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agreement, and the number of FTTH customers do not migrate / reduce at abnormal rate, to other partners or to same partner under different case model.

- 2.5 Revenue share % in all existing as well as in new proposed models shall be applicable for FTTH monthly plans upto Rs1000/- only or uptoRs 12000/- FTTH annual plans only. For FTTH Plans above Rs 1000/- monthly or Rs 12000/- annually, the incentive of 15% only shall be applicable on incremental amount. For existing partners, the changed incentive program shall be applicable for all OLTs which have been migrated in BSNL network for more than one year of issuance of this order.
- 2.6 The Case-IV is revised to include laying and maintenance of overhead OFC back haul from BSNL nearest pick up point to OLT Location within the maximum permissible revenue share of 50%. All the existing FTTH Franchisees under Case IV Model shall maintain the backhaul also from nearest pickup point of BSNL within the agreed revenue share with BSNL. The New Franchisee under case IV shall provision and maintain the OFC backhaul under the agreed revenue share (Maximum 50%)

**2.7 Revenue share to the FTTH Partner for providing Leased line :**

Following per month Revenue share is fixed to FTTH Partner for providing leased line under case IV Model. (need not be mandatorily case IV, can be II/IIA,III,IIIA also as last mile fibre is most important )The partner will have to provide the local lead on fibre/radio modem/minilink, if the customer premise falls within 500 Mtr of OLT location.

| S.no | Bandwidth            | Fixed Monthly Revenue Share in Rs |
|------|----------------------|-----------------------------------|
| 1    | Up to 50 Mbps        | 600/-                             |
| 2    | 51 Mbps to 100 Mbps  | 1000/-                            |
| 3    | 101 Mbps to 499 Mbps | 2000/-                            |
| 4    | 500 Mbps to 999 Mbps | 3000/-                            |
| 5    | 1 Gbps and above     | 4000/-                            |

The connectivity of GPON network elements with MPLS network for functioning of leased circuits shall be communicated separately by BBNW circle shortly.

- 2.8 Following Para's of the draft Sample Agreement communicated vide letter no 64-253/2017/NWP-BB/FTTH dated 24.09.2018 are modified/introduced.

| <b>Existing clause of the Sample agreement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>Revised clause in the Sample agreement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1) <b>Termination of the agreement:</b> This agreement may be terminated only by the mutually, written consent of the parties giving 30 days' notice. Notwithstanding any terms and conditions herein, this agreement may be terminated only by the mutually, written consent of the parties giving one month notice. Termination of the agreement shall be without prejudice to the accrued rights and liabilities of the parties at the date of termination. On termination of this agreement the telecom services may continue to be used by the residents of the "Projects in annexure" as per applicable terms &amp; conditions.</p> | <p><b>Termination</b> - the agreement shall be terminated by giving a one months' notice to the FTTH Partner</p> <p>i. Failure to Commission the equipment and /or execution of the work at all by the FTTH Partner within 3 months from signing of agreement.</p> <p>ii. Failure to perform any other obligation(s) under the Contract; and</p> <p>iii. Equipment does not perform satisfactory in the field in accordance with the specifications.</p> <p>iv. Failure to meet the SLAs parameters continuously for 3 months.</p> <p>v. The agreement may also be terminated by mutual, written consent of the both parties by</p> |

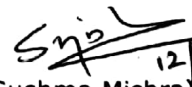
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|                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | giving 3 months' notice. On termination of agreement the customers shall continue to use the Telecom Services of BSNL, through commissioned equipment under the contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 2) Not Available | <b>Sub-Contract :</b><br>The Franchisee shall notify BSNL in writing of all subcontracts awarded under these Contacts if not already specified during signing of the agreement. Such notification shall not relieve the Franchisee from any liability or obligation under the contract.                                                                                                                                                                                                                                                                                                                                                                                              |
| 3) Not Available | <b>EMS :</b><br>i. Under Model IV, Franchisee shall provide, install and operate only those OLTs for which EMS has been installed by the OEM. No bandwidth and Colocation charges shall be levied by BSNL for EMS servers.<br>ii. EMS shall be tested during the integration with BSNL network. EMS shall manage both OLT and ONTs. The interconnection of a disaster recover EMS with main EMS and its manual switch over shall be tested during the testing.<br>iii. Further, open protocol shall be supplied as the North bound interface along with suitable network interface and software in the EMS.<br>iv. The format for the reporting from EMS shall be finalized by BSNL. |
| 4) Not Available | <b>Non-Disclosure agreement :</b><br>Format of the non-disclosure undertaking shall be signed by the Franchisee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

2.9 All the circles are requested to make all effort to popularize the policy and start engaging the partners as per above .

This is issued with the Approval of CMD ,BSNL.

  
(Sushma Mishra)  
GM (NWP-BB)  
12/4/2020

**Copy to -**

1. CGM(ITPC), Pune for necessary action .
2. CGM(BBNW) , Bengaluru for necessary action