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

No: 64-35/2009-Broadband

Dated: 05.10.2011

To,

The Chief General Manager,
All Territorial Circles /Metro Districts

Subject: Issues pertaining to the PC bundling Scheme under USOF for Rural Broadband Customers.

Ref: i) BSNL-USOF agreement dated 20-01-2010. (ii) BSNL agreement with M/s HCL & M/s Novatium. (iii) End to End procedure for M/s HCL PCs communicated vide letter no. 64-35/2009-Broadband dated 9/7/2010 (iv) End to End procedure for M/s Novatium PCs communicated vide letter no. 64-73/08-Broadband dated 02-02-2010

Kindly refer to above agreements and end to end procedures communicated by this office for PC bundling scheme under USOF. It is very unfortunate to bring to your kind notice that circles are not following the procedure fully in true spirit under reference (iii) & (iv) of BSNL-USOF agreement dated 20-01-2009 causing PCs bundling scheme under USOF is completely stuck and even both vendors have stopped the business in some of the circles. The following has been observed during review of the scheme:

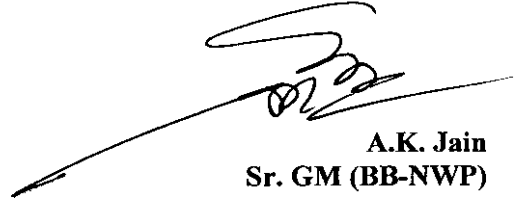
1. PC bundling under USOF scheme is valid only for the customers served through rural DSLAM. In some cases, the scheme has also been extended to the customers served through urban DSLAM and the subsidy in such cases cannot be claimed.
2. USOF subsidized tariff plan i.e. USOF Plan 99 & Plan 150 are only applicable towards subsidy disbursement for PC bundling under USOF scheme. In several cases, it is observed that non USOF subsidized tariff plans have also been given to the customers. In some other cases, USOF subsidized tariff plan has been shifted/changed to non USOF subsidized tariff plans post installation of BB connections resulting in either no subsidy claim or rejected claim by CCAs.
3. The CAF/ACO form is being forwarded to the PC vendors without the verification of the broadband connection feasibility, resulting in incidences where PCs is installed by PC vendor but broadband connection is not provided by BSNL due to non-feasibility at a later stage. In such cases, later on, PC can not be recovered easily by the vendor and the USOF subsidy can also not be claimed.
4. List of surrender/disconnected customers, list of EMI/monthly subscription paid customers, list of EMI/monthly subscription unpaid customers and list of customers for which USOF claims have been rejected by CCAs are not being maintained by us and also never given to the PC vendors. Due to non availability of surrender /disconnection data, PC could not be recovered for 6-12 months and as a result PC becomes non-usable. The reconciliation of above data should be done on monthly basis with vendors.

From the above, it is very much clear that SSAs are not checking the USOF eligibility criteria before enrolling the customers under PC bundling scheme of USOF and also not following the above referred agreements & letters. This leads to a continuous increment in the gap between information with BSNL and vendor in the total installed PCs, total subsidy due and total

EMI/monthly subscriptions amount due etc. which lead to frustration/dissatisfaction of customers .This casual approach led us huge pending payment to PC vendors and the present status of virtually not working of PC bundling scheme.

In view of the serious concerns as above, it is requested that above referred agreements and end to end procedure shall be followed unfailingly so that the scheme may be revived and the smooth implementation may be ensure for the entire term of the agreement. In case, it is felt the scheme require some modifications, same may be conveyed to this office. Feedback on implementation of procedure as defined above may kindly be submitted to this office by 15th Oct, 2011.

This may be treated as **MOST URGENT** pls.



A.K. Jain
Sr. GM (BB-NWP)

Enclosure: a/a

Copy to:

1. CMD, BSNL for kind information pls.
2. DIR (CFA) for kind information pls.