



Fil.No.9-2/2009-P&P_CM

dated: 25.11.2009

To

The Chief General Managers

All Telecom circles/Tel Districts

Sub: Agreement with M/s. Nokia for sale of Bundled Handsets by M/s. Nokia distributors and retailers.

The MOU with M/s. Nokia for sale of Bundled Handsets was signed in 2006, now MOU has been signed for sale of all types of 2G and 3G Handsets after bundling with BSNL SIM Cards. The purpose of this MOU is to increase the customer acquisition utilizing the distribution channel of M/S NOKIA who is the leader in the mobile handset market. (MOU copy enclosed)

The detailed process from the demand generation to the complete acquisition along with the channel commission structure has been approved by the competent authority and enclosed as Annexure.

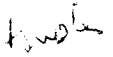
M/s. Nokia has nominated Corporate level Coordinators as well as Circle level Coordinators (list enclosed). The Corporate level Coordinator and Circle level Coordinator from BSNL are DGM (P&P-CM) and GM (Sales & Mktg) Consumer mobility of concerned circles respectively (list enclosed).

It has been decided that one demo 3G SIM is to be provided to the Nokia promoter. The tariff scheme for 2G and 3G Bundle and the special package for demo 3G SIM has been identified and is enclosed in the annexure. The list of citywise number of Nokia promoters is enclosed. You may provide one demo SIM per promoter to the Circle coordinating officer of Nokia after seeking the list of promoters.

The requirement / monthly sale target of Bundled SIM Cards for the month of Dec. 2009 has been finalized and enclosed as an annexure. It is requested that GM (Sales & Mktg) may please ensure that desired no. of SIM Cards are provided to M/s.

Nokia's Authorized Officers / Coordinators /distributors within first week of the target month.

You are requested to take advantage of the alliance in exploiting the distributor network of M/S Nokia to maximize the customer acquisition for BSNL.


Ashutosh Gupta
DGM (P&P-CM)

Enclosures:

1. Letter of tariff for 2G, 3G cards for customers and Demo SIM retail outlet.
2. List of Nodal Officers of M/s Nokia.
3. List of Nodal Officers of M/s BSNL.
4. Process document and commission structure.
5. Demand of 2G and 3G SIM cards for Dec 2009 and number of retail outlets for demo SIM.
6. MOU / Agreement with M/s Nokia.

613, Products & Pricing-Consumer Mobility
 Bharat Sanchar Bhawan, New Delhi-110001
 Tel No: 23329722 Fax 23329723



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

3-2/2009-Prod&Pricing-CM

dtd 25.11.2009

To

The Chief General Manager
 All Circles/Metro Districts

The approval of the competent authority is hereby conveyed for 2G&3G bundling plan with M/s Nokia as follows:

2G Bundling Plan

- Free talk time of Rs 50.00 per month for six months provided the customer does a recharge of minimum Rs 50.00 per month.
- Facility shall be discontinued from the month the customer fails to recharge.

3G Bundling plan

- 50 MB free data download for two months.
- 30 video mins per month for two months.
- M/s Nokia will offer the following applications free of cost with 3G bundled handsets.
 - 1.Qik
 - 2.Web Server
 - 3.Joiku.

Demo Scheme to Nokia Retailers

- The 3G SIM prepaid shall be provided free of cost to a designated person of Nokia for demo purpose.
- The connection could be given with a talk time of Rs 500.00 per month for two months.
- TV connection could be activated for all free channels and the same shall be borne by BSNL.
- Data Voucher for 500 MB per month can be given in addition to above.
- BSNL shall handover SIMs as per demand to Nokia free of cost and no commission shall be paid for the same.

Jeena Joseph
 25/11/2009
 Deputy Manager(P&P-CM)

Copy to:-

1.M/s Nokia Ltd.

Circle wise list of NOKIA Contacts						
SL No.:	Region	Circle	Nokia Contact	Email ID	Mobile No	Nokia Regional Contact
1	National		Vinesh Malik	vinesh.malik@nokia.com	9818722177	
2	North	Delhi	Khalid Abdi	khalid.abdi@nokia.com	9953454467	Khalid Qazi
3	North	Punjab	Anant Swamy	anant.swamy@nokia.com	9876601060	Khalid Qazi
4	North	UP (W)	Pranav Chourasia	pranav.chourasia@nokia.com	9988436367	Khalid Qazi
5	North	Haryana	Amit Malhotra	malhotra.amit@hcl.in	9896400600	Khalid Qazi
6	North	H.P.	Gaurav Pande	gaurav.pande@nokia.com	9878880012	Khalid Qazi
7	North	Rajasthan	Manish Panwar	manish.panwar@nokia.com	9829230567	Khalid Qazi
8	North	J & K	Wasim Shora	wasim.shora@nokia.com	9797791150	Khalid Qazi
9	East	WB	Abhay Kumar Singh	abhay.kumar-singh@nokia.com	9831967890	Khalid Qazi
10	East	Bihar+ Jh	Naveen Mathur	naveen.mathur@nokia.com	9748045777	Timir Acharya
11	East	Orissa	Jayesh Ullatill	jayesh.ullatill@nokia.com	9748772135	Timir Acharya
12	East	Assam + NE	Jayesh Ullatill	jayesh.ullatill@nokia.com	9748772135	Timir Acharya
13	East	UP(e)	Pranjit Hazarika	pranjit.hazarika@nokia.com	9651996301	Timir Acharya
14	West	Mumbai	Manish Raj	manish.2.raaj@nokia.com	9769513436	Anindya Pratihari
15	West	Rest Of Mah.	Rohit Bhatia	rohit.bhatia@nokia.com	9970099924	Anindya Pratihari
16	West	Rest Of Mah.	Sahil Sansi	sahil.sansi@nokia.com	9766646456	Anindya Pratihari
17	West	Gujarat	Sunil Kamalakaran	sunil.menon@nokia.com	9879106678	Anindya Pratihari
18	West	MP-CG	Aditya Sheoran	aditya.sheoran@nokia.com	9893020522	Anindya Pratihari
19	South	Tamilnadu	Sudhakar	sudhakar.p@nokia.com	9790936681	Nipun Thakur
20	South	Karnataka	Ajay Goyal	ajay.goyal@nokia.com	9900096061	Nipun Thakur
21	South	AP	Anish basu	anish.basu@nokia.com	9949429561	Nipun Thakur
22	South	Kerala	Joseph Thomas	joseph.thomas@nokia.com	9895280798	Nipun Thakur

Circle wise Details of BSNL Contacts for Bundling Schemes

Circle	Designation	Name	emailid	BusinessPhone	BusinessFax	Mobile
Andaman & Nicobar	GM(Mktg)			03192	03192	0
Andhra Pradesh	GM(Mktg)	Thakur K K	kkthakur@bsnl.co.in	04023201010	04023200666	09440000808
Assam	GM(Mktg)			0361	0361	0
Bihar	GM(Mktg)	Dwivedi H S	gmbdnc_bihar@bsnl.co.in	06122239952	06122221681	09431000018
Chattisgarh	GM(Mktg)			0771	0771	0
Chennai	GM(Mktg)	Prabhakar V	vprabhakar@bsnl.co.in	04428585656	04428527711	09445000900
Gujarat	GM(Mktg)	Chandak S S	sschandak@gmail.com	07926481001	07926481708	09426010001
Haryana	GM(Mktg)	Sahota J S	jssahota@bsnl.co.in	01712603366	01712603311	09466000081
Himachal Pradesh	GM(Mktg)	Dutt Gopal	gmd_hp@bsnl.co.in	01772620440	01772621330	09418441100
J&K	GM(Mktg)	Ahmed Imtiaz		01912475758	01912475759	09419120192
Jharkhand	GM(Mktg)			0651	0651	0
Karnataka	GM(Mktg)	Chandrasekhar	chandrasekharan@bsnl.co.in	08025301190	08025301144	09448010671
Kerala	GM(Mktg)	Misra Amit	amit_mishra@bsnl.co.in	04712306600	04712305922	09447606060
Kolkata	GM(Mktg)	Bhaduri S K	sk_bhaduri@bsnl.co.in	03322438000	03322438001	09433000382
Madhya Pradesh	GM(Mktg)	Sinha Arvind	arvindsinha@bsnl.co.in	07552675151	07552675252	09425001786
Maharashtra	GM(Mktg)	Biswas Monisha	biswas.monisha@gmail.com	02226613072	02226610847	09423993199
North East - I	GM(Mktg)	Bhatia C K	gmmkt_ne1@bsnl.co.in	03642224737	03642228244	09436178383
North East - II	GM(Mktg)	Singh Arjun	gmmarketing@gmail.com	03862235888	03862225888	09436063377
Orissa	GM(Mktg)	Bhoi N K	nkbhoi@gmail.com	06742545900	06742541221	09437334444
Punjab	GM(Mktg)	Sharma S K	shailendrak_sharma@bsnl.co.in	01722612400	0172	09464003311
Rajasthan	GM(Mktg)	Shrivastav Anupam		01412363132	01412376100	09414001111
Tamilnadu	GM(Mktg)	Vinod C V	gmcmtsln@bsnl.co.in	04428297878	04428297979	09442106456
UP(E)	GM(Mktg)	Rajesh Kumar	rkuma333@gmail.com	05222234233	05222234234	09415111155
UP(W)	GM(Mktg)	Varshney B L	bvarshney@gmail.com	01212660300	0121	09412700123
Uttaranchal	GM(Mktg)			0135	0135	0
West Bengal	GM(Mktg)	Audhya G K	gkaudhya@bsnl.co.in	03322135747	03322437741	09433000026



Sub: Process of bundling with handset vendor, M/s. Nokia.

Given the entry of a number of telecom operators in the market, bundling of SIM cards with handsets to give a ready and more attractive offer to the customer is now a well proven method. In this way, both the handset manufacturer and the telecom operator mutually combine their market power to target a larger section of the population especially comprising of the low income groups interested in low-cost and low hassle mobile connection.

BSNL has a strong recall especially in rural areas and handset manufacturers also have their own level of brand recognition among various customer segments. In order to utilize the market power of these handset manufacturers with brand recall of BSNL, it has been decided by the competent authority to come with the following arrangement to provide the BSNL connections as bundled offers.

Key Characteristics of interaction process with Handset vendors

- A schedule of target BSNL bundle sales will be drafted separately for each circle and handset vendor
- The demand estimation of handset bundles will be done centrally at the corporate office in consultation with handset manufacturer and corporate nodal officer as assigned by Director (Consumer Mobility)
- The demand estimation will be done at least three months in advance in order to provide sufficient time to handset manufacturers to issue handsets in appropriate quantities. The demand will be estimated in mutual agreement of BSNL and handset manufacturer while keeping in mind potential sales for each circle and the market share of handset vendor
- Based on the demand estimated, the number of sim cards will be earmarked to handset manufacturer at the corporate office and notification will be sent to the circle 15 days before the expected delivery date of the SIMs to handset vendor. Circles will be required to procure and earmark the required number of SIMs (as communicated in the notification above) and should not issue these SIMs cards to any other vendor or any SSA
- The responsibility of running this process at the corporate office is given to DGM (Product and Pricing) who will act as "Handset Bundling Demand Manager" at the corporate office. He/She is responsible for the discussions with handset manufacturers and circle nodal officers to come up with sales schedule and ensuring SIMs are allocated to the handset manufacturer at each circle
- Handset vendor will designate a key BSNL account manager and circle level managers to run the process from their side. Handset vendor shall intimate the same to BSNL at the beginning of the contract period and within 2 days of personnel replacement.

Bundle Promotion and Marketing

- Handset vendor and BSNL will undertake marketing, advertising, promotion, etc. of bundled GSM mobile handsets on mutually agreed basis
- BSNL SIM should be packed in such a manner that BSNL brand / logo on the SIM is displayed prominently. The packaging design for the bundled GSM mobile handset and SIM shall be mutually agreed by both parties on all bundles in order to make customer aware of bundling offer on the pack.

Bundle Sales and CAF Collection (specific to Nokia)

- Designated Nodal Officer from Nokia will collect the SIM cards from the circle office at the start of the month from the designated BSNL representative at the circle office
- On receiving the SIM cards, the RDS (hereafter defined to include RDS and RDS-MD) of Nokia will bundle the SIMs with the handsets and provide a list, to the designated Nodal Authority of BSNL in the circle and the corporate office **within 7 days of receiving the SIMs from circle office**
- Nokia will also provide the list of Retailer wise allocation of bundled SIMs in the circle where the BSNL bundles will be sent for sales. This list will be provided by Nokia to the Circle Nodal Officer and to BSNL's "Handset Bundling Demand Manager" within 7 days of receiving the SIMs from circle office. This list of retailers will include their address and contact number. The circle nodal officer will pass-on this list of retailers to the Sancharsoft nodal officer in the circle.
- The Sancharsoft Nodal officer (or the Circle Nodal Officer for handset bundling, in case the Sancharsoft Nodal officer is not available or not posted) at the circle office will verify if all the retailers provided by Nokia are already present in Sancharsoft. If not, he/she will update the retailer database uploaded on Sancharsoft by entering the new retailer information and assign the same to a franchisee according to the area in which the retailer is located. This activity must be completed within 2 days of receiving the list of retailers from Nokia
- The Sancharsoft Nodal officer (or the Circle Nodal Officer for handset bundling, in case the Sancharsoft Nodal officer is not available or not posted) will inform the SSA sales head (Consumer Mobility) about the update who in turn will issue instructions to the Franchisee manager of the SSA about the new addition into the retailer network **within 1 day of receiving the above information**
- Franchisee Managers must ensure that the beat-plan of the corresponding FoS is modified to make regular visits to the new retailer at appropriate frequency. The beat plan modification **of the corresponding FoS should be completed within 8 working days of circle nodal officer receiving the retailer list from Nokia**
- Franchisee Manager must ensure that retailer has the C-Topup SIM and the same is entered in the Sancharsoft
- The updated beat-plan should ensure that the CAF forms for the bundled sales are collected from the retailer at regular intervals and the same is submitted to the BSNL office

It is requested that a proper mechanism may be built up in the Marketing Cell of the circle to keep track of the sale as well as the revenue generated from each product. Product lifecycle needs to be watched to update the product from the market at appropriate time.

Commercial arrangement with Nokia

Channel Commission

Attractive offers and commissions need to be paid to the retailers selling the bundled SIM in order to push the sales of BSNL bundle as against other bundles available in the market.

In view of being competitive, it has been decided by the competent authority to provide commission on not only CAF submission but also the SIM activation even though the SIM has been given for free to the retailer as a part of the bundle. The process for routing the commission to the retailer would be as follows:

- The retailers through which the handset bundles are being sold are mapped to a particular franchisee as mentioned in the process document above
- When the SIM is earmarked to Nokia, the MSIDN of the SIM will be entered into Sancharsoft against Nokia's name to which it was assigned (For unbundled SIMs, the SIM code is entered against the name of retailer)
- When the retailer sells the bundle, retailer asks the particular franchisee to activate the SIM of the customer. On activation, the information is sent to sancharsoft which identifies that the SIM was allocated to Nokia and it will be activated
- Special FRC coupons will be generated for bundled SIM which would be Rs.20 costlier than normal FRCs e.g. Rs.35 FRC will cost Rs.55 for bundled SIM users. But there would be a number of attractive benefits provided with the FRC, as discussed in the next section, which will make the bundled SIM an attractive proposition for the customer. The commission on these new FRCs will still stay same as the corresponding FRC. E.g. For Rs.55 FRC, the commission to the retailer stays as it is on Rs.35 FRC. Regular FRCs can not be activated on the bundled SIMs.
- The customer would be sent a message about the successful activation of the SIM and the message will contain the information about the extra benefits which are provided on the SIM as a part of bundle offer. It should also be mentioned that if the SIM is used outside the bundled phone, these benefits will be withdrawn and the SIM may be deactivated

Scenario 1: Direct payment to retailer – Commission paid on FRC Recharge – Special Bundle FRCs

This scenario is feasible in circles where the sancharsoft integration has been completed and direct payment to retailers is possible

- The commission of the Nokia channel for SIM activation (equal to the commission being paid to franchisee channel) will be recorded but is sent to the retailer only when the FRC is activated on the SIM. The retailer who puts the FRC on the SIM will get the commission for

SIM activation as well. This would motivate the retailer to push the sale of FRC also at the time of buying the new bundle.

- Once the FRC request is received, the commission for FRC and the sim activation is paid directly to the retailer through the C-Top up SIM. The franchisee share of the SIM activation and FRC is also paid to the franchisee.
- The proposed share of retailer out of the SIM activation commission (Rs.20) is 90% of the total commission (i.e. Rs. 18.00). Thus in total retailer would make (Rs.18.00+ FRC commission share) at the instance the FRC is activated on the sim. The franchisee makes (Rs.2.00 + FRC Commission share) for a bundle sale. The CAF commission will be separate and will be sent to retailer and franchisee only when the CAF form reaches BSNL. The FRC share between franchisee and retailer will be guided by BSNL's sales and distribution policy
- The CAF form will be collected from the retailer by the regular FoS visits by the franchisee. The retailer is expected to do the initial verification by checking the photo-id and address proof of the customer.
- When the CAF form is submitted to the franchisee, he/she will enter the CAF information in the Sancharsoft system. CAF form will also include the 10-digit alphanumeric PoS code which identifies the retailer who sold the bundled SIM. After the retailer is identified and the CAF form is submitted to BSNL, the CAF commission of validated applications is sent to the channel. Though it is possible to send the commission share of the retailer directly but in order to provide some flexibility in the channel, the commission is sent to the franchisee who in term is expected to transfer an appropriate amount to the retailer
- The proposed share of retailer in the CAF submission commission is 50% of total CAF commission. of Rs.20 (i.e. Rs.10).
- If CAF information is found to be incorrect and the verification fails, the SIM will be deactivated within 72 hours

Scenario 2: Retailer Commission through Franchisee

This scenario will be applicable to those circles where Sancharsoft integration is not complete and sending direct commission to retailer is not feasible

- The commission of the channel will be sent to the franchisee through his C-Top up sim and the guidelines will be issued to share the commission with the retailer. The exact split of the commission will be decided by the circle as per the guidelines issued by BSNL.
- The CAF form will be collected from the retailer by the regular FoS visits by the franchisee. The retailer is expected to do the initial verification by checking the photo-id and address proof of the customer

- When the CAF form is submitted to the BSNL office, franchisee will be given Rs.20 per CAF form which again he would be expected to share with the retailer based on the guidelines provided by the corporate office
- If CAF information is found to be incorrect and the verification fails, the SIM will be deactivated within 72 hours

Customer Benefits

The bundle offer must be extremely attractive to the customer to push the customer to buy the BSNL bundle as against other operator bundles mostly available on the same retailer.

In order to make the BSNL bundle attractive to the customer, the competent authority has decided to launch the following offer on bundled SIMs along with special FRCs

- All the STVs available in the market shall be available for the Nokia bundled handsets.
- For 2G Customers Free talk time of Rs.50 per month will be given for the first six months. The recharge of minimum Rs.50 has to be done every month and if the same is not done in any month, free talk time of Rs.50 shall not be extended from that month onwards. However, normal pre-paid rules will still govern that SIM.
- For 3G customers following freebies shall be available for bundled product.
 1. 50 MB free data download for two months.
 2. 30 Video mins per month for two months.
- As regards 3G bundling ie bundling of BSNL 3G SIMs with Nokia 3G enabled handsets, Nokia will offer following applications with all bundled handsets.
 1. Qik
 2. Web server.
 3. Joiku.

Circlewise volume of 2G SIM required for the month of December 2009		
Sl. No.	Circle	Qty
1	Andhta Pradesh	
2	Karnataka	0
3	Kerela	38000
4	Tamilnadu	0
5	Rest of Maharashtra	0
6	Gujrat	24000
7	Madhya Pradesh	0
8	Himachal	26000
9	Punjab	0
10	Haryana	28500
11	UP-West	20000
12	Rajasthan	40000
13	UP East	40000
14	West Bengal	17800
		0
		234300



Citywise 3G SIM requirement

Sl. No.	Circle	CityName	No of Promoters	NO of Demo SIMs required	No of 3G SIMs
1	Assam	GUWAHATI	70	70	500
2	Bihar	PATNA	44	44	1000
3	Chennai	Chennai	104	104	2900
4	HP	SHIMLA	7	7	2000
5	J&K	JAMMU	28	28	5000
6	JHK	RANCHI	22	22	500
7	KOL	KOLKATA	196	196	3000
8	Orissa	BHUBANESWAR	31	31	1000
9	Orissa	CUTTACK	15	15	500
10	Orissa	PURI	3	3	500
11	Punjab	CHANDIGARH	36	36	3000
12	Punjab	JALLANDHAR	24	24	1500
13	Punjab	LUDHIANA	26	26	2500
14	Punjab	MOHALI	5	5	500
15	Punjab	PANCHKULA	7	7	500
16	RAJ	AJMER	9	9	500
17	RAJ	ALWAR	3	3	300
18	RAJ	JAIPUR	57	57	4000
19	RAJ	KOTA	17	17	300
20	RAJ	SIKAR	5	5	100
21	RAJ	TONK	1	1	100
22	RAJ	UDAIPUR	9	9	300
23	UPE	ALLAHABAD	18	18	1000
24	UPE	KANPUR	44	44	1000
25	UPE	LUCKNOW	95	95	1500
26	UPE	VARANASI	24	24	1000
27	UPW	AGRA	17	17	1000
28	UPW	HARIDWAR	7	7	500
29	UPW	RISHIKESH	4	4	500
30	UTT	DEHRADUN	19	19	1000
31	UTT	HALDWANI	5	5	500
32	WB	ASANSOL	12	12	500
33	WB	DURGAPUR	9	9	500
34	WB	JAMSHEDPUR	14	14	500
Grand Total			987	987	40000

