

General Manager (S & M - CM)

Sales & Marketing - Consumer Mobility

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भारत संचार निगम लिमिटेड

(भारत सरकार का उद्यम)

BHARAT SANCHAR NIGAM LIMITED

(A Government of India Enterprise)



No.GM/S&M-CM/210/Franchisee corres /10-11/ 60 dted, the 12.04. 2011

To

All Heads of SSAs,
Tamil Nadu Circle.

Sub: Retailer commission payable by the Franchisee –Applicability of TDS on Discount

Ref:1. C.O.S&D Policy 2009 lr no 27-9/2009/S&M-Cm/Pt2 dt 1.1.2010

2.DGM(CA),TN circle lr no.TAX/commission /2011-12/ 5 dted 15/3/2011

Kindly refer to the letter under reference wherein the discount /commission structure payable to franchisee channel (Franchisee, Sub-Franchisee and Retailers) has been communicated and it is also stated that Franchisee must pass on part of the commission to retailers as per the table available under sl.no(ii) in Section 'P' of S&D Policy 2009.

As per S&D Policy 2009, for the Recharge/CTOPUP product, the retailer share is 70% of Recharge/CTOPUP discount and the Franchisee share is 30% of Recharge/CTOPUP discount.

As per the letter under reference (2), TDS is also applicable for the discount henceforth reclassified as commission from 1/4/2011. The commission amount to be passed on to the Retailer for the CTOPUP product is furnished below.

Calculation sheet:

Amount Paid by the Retailer to the Franchisee	: Rs.100
Face value of the Product	: Rs.93.33((100*100/107.15)
Minimum Commission 3.5% on face value	: Rs. 3.27
Less TDS @10% on the commission	: Rs. 0.33
Net minimum commission payable to Retailer by The Franchisee	: Rs. 3.27-0.33=2.94

For the amount Rs.100 /- paid by the retailer, Franchisee has to pass on minimum amount of Rs.102.94 with **minimum commission** amount of Rs.2.94/-


(C.V. Vinod)

General Manager (S&M-CM)

Tamil nadu Circle.

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Copy TO:Sr.GM(TR),O/oCGM,TN,Chennai.

2. All AGM(sales)/AO(sales),TN circle

3.All Franchisees of TN circle.