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To:

The CGM
All Telecom Circles / Metro Districts

No: 64-253/2013-BB/1

dt 09-01-2014

Sub: Approval for entering into revenue sharing agreement with builders / RWAs / Telecom infrastructure provider for providing BSNL telecom services in upcoming residential / commercial complexes.

- 1. BSNL CO has been approached by many circles in past to issue guidelines and draft agreement for the business proposals for providing telecom services for potential customers in upcoming residential / commercial complexes.
- 2. Detailed discussion on the same was held at corporate office and the approval of the management committee is hereby conveyed for authorizing SSA heads to enter into revenue sharing agreement with builders / RWAs / Telecom infrastructure provider for providing BSNL telecom services in upcoming residential / commercial complexes (copy of the Management committee extract dated 16-12-2013 is enclosed as Annexure-I).
- 3. Draft sample agreement will be issued shortly.
- 4. The proposal as approved by the management committee in its meeting held on 11-12-2013 is as under:
 - 4.1 Agreement may be applicable for all kinds of telecom services (fixed, wireless, broadband etc) being offered presently and in future also.
 - 4.2 Fixed one time marketing charges (optional as decided by the CGM) shall be given as an entry fee and acquisition charges of Rs 500 shall be given on per customer basis for the cases where the customer is acquired by the builder / RWA / telecom infrastructure provider for BSNL.
 - 4.3 Revenue sharing shall be from fixed monthly rental only (no usage charges may be shared).
 - 4.4 All commercial works (CAF etc) shall be undertaken by BSNL and all customers shall be BSNL customers.
 - 4.5 Initially revenue share may be distributed manually but in future same may be got integrated with IT based billing system.

- 4.6 Approved revenue sharing between BSNL & the builder / RWA / telecom infrastructure provider will be informed separately to the CGMs and shall be kept confidential.
- 4.7 CGMs are authorized to vary the revenue share 10% downwardly by negotiating with the builders / RWAs / Telecom infrastructure providers.
- 4.8 SSA heads are authorized to sign the agreement and maintain the same.
- 4.9 Any case / scenario other than those stated in the revenue sharing may be taken on case to case basis by the SSA head with the approval from BSNL CO.
- 5. All circles are directed that at first instance efforts be made to enter into agreement with the builder / RWA / telecom infrastructure providers without any cost (Revenue sharing / Marketing charges) to BSNL.
- 6. In case it is not possible then the same may be done as per the proposal approved by the management committee, stated in para 4 above.

(ANIL JAIN) PGM (NWP-BB)

Copy to:

Dir (CFA), BSNL CO, for information please.