

**BHARAT SANCHAR NIGAM LIMITED**  
**O/o G.M.T.D. SAMBALPUR**  
**NOTICE FOR APPOINTMENT OF RURAL DISTRIBUTORS (RDs)**

No:-IMPCS-92/RD-SMB/12-13/01

Date 03/10/2012

GMTD, Sambalpur invites application from the interested parties for appointment of Rural Distributors (RDs) for sale of BSNL products and services like SIM Cards, Recharge Vouchers/Top up, Charging electronically through C-Top-up etc and any other services as per **Rural Distributor Policy 2012** in rural areas on commission basis in Sambalpur SSA on or before 14.00 Hrs on Date 31/10/2012. For details please visit website (<http://www.orissa.bsnl.co.in/sambalpur>) or Contact S.D.E. (RMC) 0663-2410799 & SDE (FM) 0663-2410779.

GMTD, Sambalpur

## **Notice for Appointment of Rural Distributors under CM Sales and Distribution Policy – 2012**

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Applications are invited from interested candidates for appointment of Rural Distributors (RDs) for sale of BSNL products in rural areas on commission/Discount basis in Sambalpur SSA consisting of Sambalpur, Bargarh Jharsuguda and Deogarh revenue districts. Retired BSNL/DoT/MTNL employees and spouse/son/daughter of working employees can also apply.

### **The applicant should have the following criteria.**

- ✓ Educational qualification : 8th passed
  - ✓ Rural shop/distributor of any product preferably of FMCG products/electronics/ mobile products etc.
  - ✓ Resident of the same RD territory with proof of residence.
  - ✓ PAN Number
- ❖ The Rural Distributor will be assigned the coverage area of BTSs/Territory as per the **Annexure-I** (RD wise BTS list) along with upcoming BTSs under installation in this area for sale of BSNL products through retailers.
  - ❖ RD's will be directly served by the existing franchisee, in case the franchisee fails to serve, the RD will be served by BSNL directly.
  - ❖ The applicant should apply in the given proforma (**Annexure-II**) duly complete in all respects along with relevant documents.
  - ❖ Before applying the applicant should go through the details of the scheme under **“Rural Distributor Policy 2012”** at **Annexure-III** containing 6 pages from Page no -06 to Page-11 and should get acquainted with all the terms and conditions.
  - ❖ After due evaluation the selected RDs will have to sign a tri-party agreement with GMTD Sambalpur and concerned Franchisee as per the Performa at **Annexure-IV**.

- ❖ The selected RD will submit PBG of Rs.10000/- (Rs Ten thousand only) (50% PBG from retired BSNL/DoT/MTNL employees and spouse/son/daughter of working employees).
- ❖ Discount / Commission for RDs will be as per **Annexure –V subjected** to changes from time to time as per BSNL corporate guide lines.
- ❖ The initial period of agreement shall be for 3 years.
- ❖ The applicant will have no claim for jobs in BSNL in future.
- ❖ Application form can be available by downloading from BSNL Web site <http://www.orissa.bsnl.co.in/sambalpur> & Demand Draft amounting Rs 100/- drawn in favour of AO(Cash),% The GMTD,Sambalpur should be deposited along with application form.
- ❖ The Completed application can also be obtained from SDE (RMC)O/o AGM(CM) by depositing Rs 100/- either by cash or demand draft payable AO (Cash), %The GMTD, Sambalpur.
- ❖ The application Form should be deposited along with the following documents:-
  - I. Self attested Certificate regarding educational Qualification.
  - II. Self attested PAN Card.
  - III. Self attested photo copy of Residential address Proof.
  - IV. Self attested photo copy of proof of shop.
  - V. DD of Rs:-100/- drawn in favour of AO(Cash),%The GMTD,Sambalpur and in case the form down loaded from BSNL Website.
- ❖ The application completed in all respect addressed to **AGM (CM), O/O GMTD, BSNL, Sambalpur *should*** be dropped in the box available in the chamber of AGM (CM), 1<sup>st</sup> floor O/o the GMTD, Sambalpur on or before 14hrs of 31.10.2012. .
- ❖ The applicant can also send their application and documents through registered post / speed post / courier and should reach before 14:00hrs of date 31/10/2012.
- ❖ The eligible parties will be called for personal interview which will be intimated later on.

Sd/-

AGM (CM), O/o GMTD, Sambalpur

## ANNEXURE-I

Sl no	Proposed Rural Distributors for the area	Under Existing Franchisee Territory area	BTS area to be served by the concerned RD	No of BTS
1	BHUKTA	<b>Kailash Hardware Stores</b>	Bhatli-I & II, Ambabhona, Bhukta, Dunguri	5
2	BIJEPUR		Sarsara, Kumbhari, Bijepur	3
3	SOHELA		Sohela, Sohela-I, Luhurachati, Ghess, Sarkanda	5
4	PAIKMAL	<b>SARAF distributors,</b>	Paikmal, Jharbandh, Mandosil	3
5	GAISILET		Gaisilet, Nuapali, Melchhamunda	3
6	LARAMBHA		Larambha, Kadobahal, Boipur, Khandatta	4
7	BHEDEN		Bheden, Bugbuga, Remunda	3
8	BANDHBAHAL		Banharpali, Bandhbahal, Kumarbandh	3
9	BHIKHAMPALI		Bhikhampali, Kadamdihi, Kudaloi,	3
10	LAKHANPUR		Panchgaon, Kandheikela, Lakhanpur, Kanaktora	4
11	RENGALI CAMP		Rengali Camp, Kalapani, Pahadshirgida	3
12	LAIDA		Laida, Katarbaga, Parmanpur, Purunapani	4
13	GOSALA		Gosala, Godbhaga, Chiplima, Lahanda	4
14	SINDURPANK	Sindurpank, Themra, Padiabahal, Sason	4	
15	RENGALI	Rengali, Rengali-2,	2	
16	THELKOLOI	Lapanga, Bhusan-S, Bhusan-loco, Bhusan, Bhusan colony	5	
17	MANESWAR	<b>Bharat General Stores</b>	Maneswar, Sahaspur, Dhama	3
18	JUJUMURA		Mundher, Hatibari, Jujumura, Mochibahal, Charmal	5
19	NAKTIDEUL		Daincha, Batgaon, Naktideul, Vaishnabhjholi, Kisinda	5
20	BAGDIHI		Bagdihi, Sulahi	2
21	BAMRA		Bamra, Sahaspur	2
22	LAIKERA		Laikera, Kirmira, Bhatlaida, Salhetikra	3
23	KESAIBAHAL		Kesaibahal, Jarabaga, Mahaulpali	3
24	KUSUMI		Kusumi, Kuntura	2
25	KULABIRA		Kulabira, Pokhrasalhe	2
26	JAMANKIRA		<b>Pareek informatics</b>	Jamankira, Tikilipada, Tileibani, Bhojpur, Rengalbeda, Kansar
27	BARKOTE	Kandhal, Balam, Barkote, Purunapani		2
28	REAMAL	Reamal, Tinkbir, Lulang,		3
29	KUNDHEIGOLA	Kundheigola, Budhapal, Utunia		3

## ANNEXURE-II

### Application form for selection of Rural Distributorship

\*\*\*\*\*

Affix Passport  
size  
photograph

1	Name of the applicant (in capital):	:	
2	Father's name (in capital):	:	
3.(a)	Residential Address(Address proof should be given: Self attested photo copy of Electricity bill/ Voter ID card/Telephone bill/ driving license/ passport/ration card / Land records/ Adhar Card should be enclosed)	:	
3.(b)	Office/Shop Address	:	
4	Telephone Number:	:	
5	Mobile Number:	:	
6	E-mail:	:	
7	Date of Birth:	:	
8	Educational Qualification: (with proof of self attested copies of certificates)	:	
9	PAN card No. (Self attested photocopy of PAN card to be attached )	:	
10	Present activity with details, and the name of the organization(s)for which the applicant is acting as Distributor / wholesaler etc.(With proof of self attested photo copy)	:	
11	Work experience:	:	
12	Name of the RD-Territory applying for	:	

It is certified that above information is true & correct to the best of my knowledge & belief. Nothing is concealed thereof. In case any of above information is found incorrect or false at any stage in future, BSNL may take appropriate action against me. I shall have no claim for jobs in BSNL in future on the ground of this business deal with BSNL.

Place.....

Signature of applicant with date.

## **Rural Distributor Policy 2012**

### **Policy framework of Rural Distributors (RDs)**

Rural distributors will cater to rural area covered by approximately 5 BTSs. Engagement of these distributors will be through a committee constituted by the SSA Head. The committee will recommend suitable persons/agency from amongst working FMCG distributors/retail shop OR any other suitable person of the area. Based on recommendation of committee, RDs will be selected by the SSA Head.

### **Concept of Rural distributors:**

- Rural distributors may work on non-exclusive basis i.e., they may also sell products of other operators.
- Rural distributors will be assigned an exclusive area of 4-5 BTS sites or more or less as per the requirement of BSNL within one franchisee territory such that they handle total turnover of approximately **Rs.5 Lakhs/Month**.
- The territory of Rural Distributor should be designed in such a manner that maximum distance to be served by Rural Distributor is **less than 15 km**.
- Rural distributors must be **residents of one of the villages** of the area which they are serving so that they have good knowledge of local conditions and local market. They are able to push the product deep into the market due to their personal relations with local people.
- Rural distributors directly serve the retailers and they do not have any employee(s). They will primarily be served by existing franchisee of that area. In case, the franchisee fails to serve, the RD will be served by BSNL directly.
- Retailer/POS in the area of RD will be managed by Rural Distributors and franchisee will have no direct role to play in that area.

**Discount/ Commission structure:** Franchisee Discount/ Commission will be shared among RDs/ Retailers as per Table –I of **Annexure-V**

RDs will get graded incentive on activation per month

- |                                    |   |                       |
|------------------------------------|---|-----------------------|
| • Minimum 100                      | → | Rs.1000/-             |
| • 101 to 500                       | → | Rs.3/- per Activation |
| • 501 to 1000                      | → | Rs.4/- per Activation |
| • Maximum Payable graded incentive | → | Rs.2500/-             |

Note:

1. The incentive will be payable after the end of the month & deposition of the CAF.
2. Retailer retention incentive per month subject to minimum 5 numbers of FRC / Plan Voucher and recharge sale of Rs.5,000/- by retailer in the month (as per Sancharsoft data only) will be as follow:
  - Franchisee - Rs.10/-
  - Rural Distributor - Rs.15/-
  -

### **Service to Rural Distributor (RDs)**

- RDs will be served by the Territory Franchisee at his doorstep.

- If Territory Franchisee does not serve the RDs properly then RDs will be served by BSNL directly. SSA Head will make suitable arrangement for material delivery to RDs in such case at his doorstep.
- Territory Franchisee will collect all CAFs from RDs and will provide them SIM as well as Recharge Coupon/C-TOPUP.
- RDs will make payment at the time of delivery of stock. However, they should make the requisition to the territory franchisee in advance. Representative of Territory Franchisee will deliver the stock at their doorstep.

### Eligibility

- Educational qualification: 8<sup>th</sup> passed
- Rural shop/distributor of any product preferably of FMCG products / electronic / mobile products etc.
- Resident of the same territory with proof of residence.
- PAN Number.

### Selection

- Interested parties may be invited through newspaper advertisement and display on notice boards. All the interested parties may be asked to submit their application with eligibility documents on a particular day. Simultaneously, SDO/ JTO of the territory may be asked to identify suitable candidates by the specified date. All these parties may be short-listed and the list submitted to a committee constituted by the SSA Head.
- Selection by a committee comprising of DE, AO and SDE level officers of SSA.
- Committee will take interview of all the short-listed candidates. Committee will judge level of involvement of the candidate, understanding of distribution and telecom market in the area.
- Selection to be approved by the SSA Head.
- Selection criteria:
  - Experience – 50 marks
  - Presentation/ Interview – 50 marks
- The selected RD will sign an agreement with BSNL and will also submit PBG of Rs.10,000/- (50% PBG from retired BSNL/DoT/MTNL employees and spouse/son/daughter of working employees).
- The initial period of agreement shall be for 3 years.

### Performance Monitoring:

Weightage for evaluating performance against target achievement

Parameters	Weightage
Type A Parameters	
FRC / Plan Voucher	45%
RC	15%
POS	15%
Type B Parameters	
% of CAF forms submitted	15%
Percentage of recharge sales via C-TOPUP	10%
Total	100%
<b>Bench Mark Score</b>	<b>50%</b>

Note: Type A parameters in case RDs served by franchisees and

Type A & B both in case RDs served By BSNL.

**Extension:** Based on performance, the SSA Head may extend agreement on year-to-year basis for a period of two years. The decision of BSNL shall be final in regard to the grant of extension.

**Migration:** Head of Circle may decide performance based migration criteria for RDs. The decision of BSNL shall be final in this regard.

**General Instructions:**

**1. Requirements for Rural Distributor :-**

- 1.1 RD has to sell BSNL product and services as specified by BSNL.
- 1.2 BSNL reserves the rights to seek/verify financial information from Rural Distributor Bankers/credit providers & ensure other sources to carry out other verifications.
- 1.3 PBG of Rs.10,000/- is refundable after successful operation (50% PBG from retired BSNL/DoT/MTNL employees and spouse/son/daughter of working employees)
- 1.4 Rural Distributor shall deposit the aforesaid security deposit amount. BSNL reserves the right to forfeit/adjust/apply the said security in full or part thereof after deduction of any sums due from the Rural Distributor to BSNL at any time. Rural Distributor shall continue to be liable for balance, if any. No interest will be paid on the security deposit till it is refunded. BSNL reserves the right to increase the amount of security at any time in its sole discretion with respect to any/some/all Rural Distributors.

**2. Responsibilities of Rural distributor:** It is the responsibility of RDs to generate demand for providing services permitted by BSNL. Selling of all BSNL Products and services assigned to them, directly or through retailers. Not only the targets set are to be achieved but also efforts are to be made to surpass it.

- 2.1 Timely submission of bills and claims to the nodal officer/ franchisee.
- 2.2 MIS as per BSNL format to BSNL officials/ Franchisee as per frequency specified.
- 2.3 Rural Distributor must ensure that BSNL products are available in retail networks in sufficient quantity on demand. Rural Distributor must ensure that no black-Marketing or maltreatment to customer is done through its rural network.
- 2.4 Verification of credentials of customers –
  - 2.4.1 Verification of PIA (photo, identity and address) of customer at the POS (Point of Sale) has to be done as per the various guidelines issued by DoT and BSNL from time to time. RDs will be responsible for the verifications done by all the channels i.e. retailers.
  - 2.4.2 The RDs shall obtain from customers/subscribers such documents as prescribed from time to time by BSNL.
- 2.5 Rural distributors will be responsible for all the work done through retailers.
- 2.6 Rural distributors are required to attend meetings in SSA/ Franchisee as and when needed. Rural Distributor must ensure availability of BSNL products and services.

**3. Commission / Discount / rewards / marketing claim:**

- 3.1 Rural Distributor will get upfront payment for basic commission / discounts wherever specified. Rural Distributor will retain his share and pass on remaining to retailer.
- 3.2 Designated BSNL officer/ Franchisee to verify and sign the claim and forward it to the respective unit.
- 3.3 BSNL/Franchisee shall have free access to the Rural Distributor premises & to inspect all records, receipts, vouchers, sale books, demand registers etc.
- 3.4 BSNL reserves the right to change the commission/ discount structure from time to time based on market/commercial needs without giving any notice.
- 3.5 TDS will be deducted as applicable and service tax will be levied as per rule.



- 4. BSNL reserves the right to change the terms of trade from time to time without any prior notice.**
- 4.1 The company reserves the right to withhold or delay the commission/discount for the Rural Distributors (RDs) in case of any pending disputes in matters relating to activations or cancellations.
  - 4.2 In case of dispute arising between the RDs/ Franchisees and BSNL, the same shall be adjudicated by the SSA Head or any official appointed by the SSA Head.
  - 4.3 The decision of BSNL will be final on all matters relating to the business rules and will be binding on the Rural Distributors.
  - 4.4 The Rural Distributor has to fully cooperate with Franchisee / BSNL to investigate any complaint.
  - 4.5 BSNL shall not be liable for any act of discount/commission or omission of any third party.
  - 4.6 The Rural Distributor will have to abide by the policy rules, regulations & instructions of BSNL as revised/modified from time to time, without any prior notice to the Rural Distributor in respect of all matters including security deposit, discount/commission payable to the Rural Distributor etc.
  - 4.7 SSA Head reserves the right to accept or reject any or all the Rural Distributor request in part or full, without assigning any reason whatsoever.
  - 4.8 SSA Head reserves the right to terminate the contract at any time without assigning any reason.
  - 4.9 In case of violation of terms and conditions of the contract or unsatisfactory services, SSA Head reserves the right to terminate the contract at any time and forfeit the security deposit in part or full.
- 5. Appointment of the Rural Distributor**
- 5.1 BSNL will grant to the Rural Distributor, right for the Sales & Distribution of products & services in the territory. The Rural Distributor must fulfill all the requirements of mentioned territory assigned to him. The operations of Rural Distributors will not be allowed to operate in any territory other than the prescribed territory. However BSNL shall have a right to appoint any additional Rural Distributor(s) / Rural Distributor in the territory / area of operation of BSNL and the Rural Distributor shall have no objection what so ever.
  - 5.2 BSNL Franchisee of the area or directly BSNL will supply to the Rural Distributor all the relevant data, guidelines and other information to effectuate the purpose of the Agreement. On termination of the Agreement, howsoever occasioned / caused, no further compensation shall become due to the Rural Distributor unless the same shall have accrued prior to the date of such termination and the Rural Distributor expressly has to agree that he will not be entitled to any compensation and/or indemnification whatsoever, from BSNL in that regard.
- 6. General Obligations of the Rural Distributor**
- 6.1 The Rural Distributor shall maintain a suitable strategy for the sales & distribution of products & services in the allocated BTSs area through his retailers. The Rural Distributor shall use its best efforts to actively provide effective services to the subscribers of BSNL and always act in the interest of BSNL to delight its subscribers.
  - 6.2 The Rural Distributor is on non-exclusive basis and agrees not to involve him in any manner either directly or indirectly in any business or activity, which is competitive with the business or activities of BSNL in his area of operation.
  - 6.3 The Rural Distributor shall treat as confidential and secret all verbal and written communication, lists and circulars which in the opinion of BSNL are regarded as confidential information and/or trade secrets. The Rural Distributor shall adopt and implement security procedures acceptable to BSNL for determining the persons to whom such information is authorised to be disclosed based upon such person's need to know the same for the purpose of fulfilling his

responsibilities in relation to the Agreement. Confidential and trade secret information shall remain the property of BSNL and shall be returned to BSNL upon termination of this Agreement in the manner prescribed by BSNL. The Rural Distributor hereby undertakes and agrees not to retain and make any copies of the entrusted confidential information.

- 6.4 RDS will not sublet his distributorship. If at any time it is established that RDS has sublet his work then BSNL reserves the right to terminate the distributorship.
- 6.5 In no case Rural Distributor is allowed to sell outside his territory. At any time if it is established that distributor sold product outside his given territory then it shall be treated as violation of agreement. Where such circumstances agreement with such Rural Distributor shall be discontinued and the Rural Distributor shall be barred for further dealing with BSNL for a period of 2 years.
- 6.6 The security deposit of Rural Distributor shall be forfeited in case of violation of agreement and non fulfillment of statutory obligations.
- 6.7 Rural Distributor must ensure that BSNL products are available with retailer's network in sufficient quantity on demand. Rural Distributor must ensure that no black marketing or mal treatment to customer is done through its network.
- 6.8 Rural Distributor is supposed to serve retailers at their premises. Rural Distributor must ensure availability of BSNL products and services in the villages falling in his territory and which are inhabited.
- 6.9 Rural Distributor is responsible for Distribution network. RDS should pass commission / discounts received by them to retailers as per Annexure-E or as specified by BSNL from time to time.
- 6.10 The merchandise will be sold at the premises by the Rural Distributor and it is clarified:
  - (i) That BSNL shall be liable for the quality and genuineness of the goods sold by the Rural distributor,
  - (ii) That BSNL shall not be liable for any loss, pilferage or damage to the goods stored and sold at the premises safety and security of premises and the merchandise shall be the entire responsibility of the Rural Distributor.

**7. Verification of identity of subscribers:** The Rural Distributor has to ensure verification of credentials of new subscribers - both as per documents submitted as well as per physical verifications. Rural distributors will be responsible for the verifications done by his retailers working under them RDS has to ensure that:

- 7.1 No pre activated card is issued to the applicant.
- 7.2 Verification of document against original has been done at the point of sale (POS).
- 7.3 Subscriber enrollment form has been duly filled by applicant.
- 7.4 The photograph submitted has been matched with the applicant.
- 7.5 The form has been personally signed by the applicant in presence of retailer at POS.
- 7.6 The original proof of identity /address has been matched & verified with the self attested photocopies submitted by the applicant.
- 7.7 Application form plus supporting documents has been checked & certified that:
  - a. Documents are in order.
  - b. Signature on the self attested photograph matches the signature on the CAF.
  - c. Photograph on the form matches with the one on the photo ID document.

**8. General Obligations of BSNL**

- 8.1 BSNL shall from time to time or in response to specific request by the Rural Distributor provide information, training and assistance relating to the services and arrange for qualified personnel / representatives of BSNL to render such training and assistance. -
- 8.2 BSNL may provide the marketing material to the Rural distributor. This may

include but not limited to, information brochures, posters, inserts, special giveaways, mailers (target-segment-specific), folders, subscription forms, receipt books, stickers etc. It will not be obligatory and binding on BSNL to provide all the above material, and will be provided as per availability only.

- 8.3 BSNL/ his representatives will have unlimited access to the business premises of the Rural Distributor to check, from time to time, Rural Distributor operations, including (I) the process of selling and booking of connections, customer problem resolution, (ii) to identify problems and suggest solutions for Rural Distributor to implement remedial measures, (iii) inspect and audit any or all statutory and other books of records and accounts.
  - 8.4 BSNL / its representative will ensure no black marketing happens & also have periodic inspection / surprise check to ensure all channels are working properly.
  - 8.5 The rates / discount / commission are subject to variation during the term of this Agreement at the sole discretion of BSNL.
  - 8.6 The Rural Distributor can supply the printed / display material etc. at his own cost without any liability on BSNL. He will keep BSNL indemnity from the content of the publicity/ display material so supplied.
9. **Brand name, Logos and Trademarks:** The Rural Distributor shall not contest, at any time, the right of BSNL or its affiliated companies to any brand names or Logo used or claimed by BSNL or such companies.

**BSNL reserves the right to modify sections / Annexure of this “CM Sales and Distribution Policy – 2012” and Discount / Commission structure at any point of time with the approval of Director (Consumer Mobility).**

# ANNEXURE- IV

## Format of Tri Party Rural Distributorship Agreement (The Agreement should be typed on non-judicial stamp paper of Rs. 100/-)

This agreement is made at \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, between \_\_\_\_\_ Telecom Circle / District, of Bharat Sanchar Nigam Limited (BSNL), a Company incorporated under the Companies Act, 1956 having its Registered Office & Corporate Office at Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi-110001 Circle office at \_\_\_\_\_ and SSA at \_\_\_\_\_ (hereinafter referred to as "BSNL" which expression shall be deemed to include its successors and assigns wherever the context so admits or requires) through its duly authorized representative Mr. \_\_\_\_\_ of \_\_\_\_\_ SSA, ON THE ONE PART.

AND

M/s \_\_\_\_\_ (hereinafter referred to as the "Franchisee-CM" (or franchisee in short, both terms have been used in this document interchangeably) which expression shall include his servants, heirs, executors and administrators wherever the context so admits or requires) through its authorized representative, Mr. \_\_\_\_\_ ON THE SECOND PART.

AND

Sh. \_\_\_\_\_ (hereinafter referred to as the "**Rural Distributor**" (or RD in short, both terms have been used in this document interchangeably) which expression shall include his servants, heirs, executors and administrators wherever the context so admits or requires) through its authorized representative, Mr. \_\_\_\_\_ ON THE THIRD PART.  
The BSNL, Franchisee-CM, RD, will individually be referred as "party" & collectively called as "parties"

### WHEREAS

- (a) The BSNL is desirous of appointing authorized **Rural Distributor** with a view to do sales and distribution of its Telecom Services to cater rural areas covered by approx. 5 BTS under its brand names for which the BSNL has been licensed to provide Telecom services.  
Whereas BSNL selected RD through open interest dated \_\_\_\_\_ for \_\_\_\_\_ (Name of the territory and SSA) from rural areas who will be served by the said territories of Franchisee-CM as mentioned in the second part of this agreement, for providing services on the terms and conditions as agreed herein among parties of this agreement.
- (b) The Rural Distributor has given an unconditional Bank Guarantee of Nationalized Bank of Rs. \_\_\_\_\_ valid for \_\_\_\_\_ years, \_\_\_\_\_ months and shall be refunded after due fulfillment of the said agreement.
- (c) The RD has been selected for three years and its term may be extended for two years on year to year basis, based on performance. This agreement shall be valid till the validity of franchisee agreement or for period of three year whichever is earlier.
- (d) Whereas Franchisee-CM shall use RD and its retailers for sale and distribution of BSNL products and services through the RDs in a rural area on the terms & conditions as agreeable among the parties under this agreement.

Now it is hereby agreed by and among the parties hereto as follows:

In consideration of due observance & performance of all the terms & conditions mentioned in this Agreement (Annex-VI) & Parts of Annexure of Agreement between BSNL & Franchisees and are also party of Agreement (Annex-VI) attached here to & forms part & parcel of this Agreement. BSNL, Franchisee, RD are to sign this agreement providing market

& distribution of selective service in the rural areas as per terms & conditions of various parts of Annex of EOI and RD parties attached herewith.

- i. Rural Distributors (RDs) shall be selected by BSNL and may work on non-exclusive basis under the CM-franchisee agreement as executed between BSNL & franchisee.
- ii. BSNL shall issue a certificate to the effect that Sh. \_\_\_\_\_ is authorised RD selected by BSNL and authorised to serve under M/s \_\_\_\_\_ franchisee of territory \_\_\_\_\_
- iii. Rural Distributors will be assigned an exclusive area of 4-5 BTS sites within one CM-franchisee territory.
- iv. Rural Distributors shall directly serve the retailers and they do not have any employee(s). They will primarily be served by existing franchisee of that area. In case, the franchisee fails to serve, the RD will be served by BSNL directly.
- v. Retailer / POS in the area of RD will be managed by Rural Distributors at its own risk and cost and franchisee will have no direct role to play in that area.

1. The RD has submitted a bank guarantee of Rs. \_\_\_\_\_ as a security towards due observance and performance of terms and conditions of this agreement. The PBG shall be valid for \_\_\_\_\_ years \_\_\_\_\_ months. The Rural Distributor agrees to increase the amount or/and to renew / extend the PBG from time to time till the expiry of this agreement or till dues of BSNL by virtue of this agreement have been fully paid and its claims satisfied or discharged or till BSNL is satisfied that terms and conditions of the said agreement have fully and properly carried out by the franchisee. Without prejudice to its risks & remedies BSNL shall encash/forfeit the said PBG on breach of terms & conditions of this agreement by RD or failure to provide services under this agreement by RD or failure of the RD to meet the targets assigned by BSNL.

2.1 The Franchisee-CM has submitted the PBG of Rs. .... towards observation of performance of terms of this agreement and its own agreement dated.....

## 2. Commission / Discount :

a) Sharing of Commission / Discount among Franchisee, RD & Retailer will be as per the Annexure-V and will be payable as per the procedure specified by the BSNL. The Franchisee shall make payment of discount/commission to RDs as per Annex-V.

RDs will also get graded incentive on activation per month

- Minimum 100 → Rs.1000/-
- 101 to 500 → Rs.3/- per Activation
- 501 to 1000 → Rs.4/- per Activation
- Maximum Payable graded incentive → Rs.2500/-

Note:

1. The incentive will be payable after the end of the month & deposition of the CAF.

2. Retailer retention incentive per month subject to minimum 5 numbers of FRC / Plan Voucher and recharge sale of Rs.5,000/- by retailer in the month (as per Sanchar-soft data only) will be as follow:

- Franchisee - Rs.10/-
- Rural Distributor - Rs.15/-

b) RDS should pass commission / discounts received by them to retailers as per said Annexure-V or as specified by BSNL from time to time.

c) Mode of payment between RDs and Franchisee shall be electronically based on Sanchar-Soft. BSNL shall devise the system for manual payment, till the provision of 3-

tier structure (Franchisee/ RDs/ Retailer) in Sanchar-Soft. It is the responsibility of Franchisee, the payment received from RD should be deposited on the same day in BSNL account.

### **3. Verification of identity of subscribers**

Franchisee shall be responsible for the subscriber's verification done by the Rural Distributor & retailers of Rural Distributor. The original proof of identity /address be matched & verified with the self attested photocopies submitted by the applicant.

### **4. Responsibilities and Obligation of Rural Distributor**

- 5.1 Rural Distributor must ensure that BSNL products are available in retail networks in sufficient quantity on demand.
- 5.2 Rural Distributors and for its channel retailer shall submit CAF completed in all respect to concern franchisee.
- 5.3 Rural Distributors are required to attend meetings in SSA/ Franchisee as and when needed.
- 5.4 Rural Distributor is supposed to serve retailers at their premises.
- 5.5 The BSNL reserves the right to change the terms of trade from time to time without any prior notice.
- 5.6 The Rural Distributor shall fully co-operate Franchisee / BSNL.
- 5.7 RDs will make payment at the time of delivery of stock. However, they should make the requisition to the territory franchisee in advance.
- 5.8 The Sales Target shall be communicated by BSNL from time to time which shall be part & parcel of this Agreement.
- 5.9 Timely submission of bills and claims to the nodal officer/ franchisee.
- 5.10 MIS as per BSNL format to BSNL officials/ Franchisee as per frequency specified.
- 5.11 Rural distributors are required to attend meetings in SSA/ Franchisee as and when needed. Rural Distributor must ensure availability of BSNL products and services.
- 5.12 RDS will not sublet his distributorship. If at any time it is established that RDS has sublet his work then BSNL reserves the right to terminate the distributorship.
- 5.13 In no case Rural Distributor is allowed to sell outside his territory. At any time if it is established that distributor sold product outside his given territory then it shall be treated as violation of agreement. Where such circumstances agreement with such Rural Distributor shall be discontinued and the Rural Distributor shall be barred for further dealing with BSNL for a period of 2 years.
- 5.14 The security deposit of Rural Distributor shall be forfeited in case of violation of agreement and non fulfilment of statutory obligations.
- 5.15 Rural Distributor must ensure that BSNL products are available with its retailers in sufficient quantity on demand. Rural Distributor must ensure that no black marketing or mal treatment to customer is done through its network.
- 5.16 Rural Distributor is supposed to serve retailers at their premises. Rural Distributor must ensure availability of BSNL products and services in the villages falling in his territory and which are inhabited.
- 5.17 If any proof is found, suggesting illegal involvement of Rural Distributor/ retailer or any other distribution channels, SSA head will decide and propose cancellation of Rural Distributor license.
- 5.18 SSA head reserves the right to terminate Rural Distributorship at any time based on performance.
- 5.19 SSA head reserves the right to accept or reject any or all the Rural Distributor request in part or full, without assigning any reason whatsoever.
- 5.20 In case of termination of agreement with franchisee, RD will be served by the look-after franchisee of the respective territories or by the BSNL/ any other channel.

- 5.21 RD has to sell BSNL product and services as specified by BSNL.
- 5.22 In case of dispute arising between the Rural Distributor/ Franchisee and BSNL, the same shall be adjudicated by means arbitration clause.
- 5.23 The decision of BSNL will be final on all matters relating to the business and will be binding on the Rural Distributor.
- 5.24 If any proof is found, suggesting illegal involvement of Rural Distributor/ retailer or any other distribution channels, SSA head may decide and cancel contract of Rural Distributor.
- 5.25 SSA head reserves the right to terminate Rural Distributorship at any time without assigning any reason.
- 5.26 In case of violation of terms and conditions of the contract or unsatisfactory services, SSA head reserves the right to terminate the contract at any time and forfeit the security deposit in part or full.
- 5.27 RD has to sell BSNL product and services as specified by BSNL.
- 5.28 BSNL reserves the rights to seek/verify financial information from Rural Distributor Bankers/credit providers & ensure other sources to carry out other verifications
- 5.29 The RD agree not to involve himself in any manner either directly or indirectly in a business or activity which is in connection with business or activities of BSNL. The RD acknowledges that the adherence of this provision is a material obligation of this agreement.
- 5.30 The RD shall treat as confidential and secret all verbal and written communication, lists and circulars which in the opinion of the BSNL are regarded as confidential information and/or trade secrets. The Franchisee shall adopt and implement security procedures acceptable to the BSNL for determining the persons to whom such information is authorized to be disclosed based upon such person's need to know the same for the purpose of fulfilling his responsibilities in relation to the Agreement. Confidential and trade secret information shall remain the property of the BSNL and shall be returned to the BSNL upon termination of this Agreement in the manner prescribed by the BSNL. The Franchisee hereby undertakes and agrees not to retain and make any copies of the entrusted confidential information.
- 5.31 The RD shall use BSNL Logo, Brand name during the term of this agreement.
- 5.32 The RDs have to bear all applicable taxes as per central/state/local laws, service tax on commission etc. BSNL shall not be responsible for any circumstances whatsoever.
- 5.33 The RD shall be sincere to insure the stocks in its possession and liability for any loss or damage due to any fire, burglary, theft whichever is that of RD.
- 5.34 The RD shall not secure subscribers from outside the allocated area and confined the operation within the allocated area.
- 5.35 RD shall neither assign its rights and remedies nor transfer its obligations under this Agreement without prior written consent BSNL
- 5.36 Other Obligations:
  - a. The RD shall not shift the operations to any other premises without written permission from the BSNL.

- b. The RD will not be allowed to make any alteration/ correction in the text matter of registration forms or any printed materials supplied by the BSNL.
  - c. In case of loss of the certificate(s) or any documents issued by the BSNL, the RD shall immediately report the same to the BSNL with the copy of F.I.R.
  - d. The BSNL will issue a certificate to the effect that M/s \_\_\_\_\_ is the authorized RD for BSNL service. This certificate shall have to be displayed by the RD.
  - e. The BSNL reserves the right to increase the number of the RD in the territory allotted to the RD, withdraw the work of Rural Distributorship of any or all products for any reason at the discretion of the BSNL or take such steps etc. in the interest of service.
- 5.37 The merchandise will be sold at the premises by the Franchisee / RD and it is clarified:
- a. That the Franchisee / RD shall not have any authority to store, sell or transfer or in any way dispose of the merchandise except as provided in this Agreement.
  - b. The Franchisee / RD shall be responsible for all taxation aspects/levies levied by the govt. authorities. The merchandise sold by him and liable for the same, BSNL shall not be responsible in any case.
  - c. That the BSNL shall not be liable for any loss, pilferage or damage to the goods stored and sold at the premises and the merchandise shall be the entire responsibility of the Franchisee / RD.
  - d. That it shall be the responsibility of the Franchisee / RD to effect the sales through proper invoices detailing the material particulars of the BSNL phones including the IMEI number. The Franchisee shall keep the BSNL indemnified against claims regarding unauthorized handsets sold or alleged to have been sold from the Franchisee's outlet(s), being raised against the BSNL by any third party.
  - e. That the BSNL shall not be liable for any loss or damage of Free C TOP-UP activation SIM provided by BSNL.
  - f. That the BSNL shall not be liable for any loss or damage of Third Party Recharge (TPR).
- 5.38 BSNL reserves the right to suspend the operation of this agreement, at any time, due to change in its own license conditions or upon directions from the competent government authorities. In such a situation, BSNL shall not be responsible for any damage or loss caused or arisen out of aforesaid action. Further, the suspension of the agreement will not be a cause or ground for extension of the period of the agreement and suspension period will be taken as period spent. During this period, no charges for use of the facility of the franchisee shall be payable by BSNL.

#### **5. Responsibilities and Obligation of Franchisee:**

- a) Franchisees shall serve the RDs of his territories at his door-step on terms & conditions as mentioned herein and in the agreement dtd. \_\_\_\_\_ between BSNL & Franchisees.
- b) Wherever RDs are available, sales and distribution of BSNL product and services, should be only through retailers of RDs.
- c) Franchisees shall not create his retail network wherever RDs are selected.
- d) Territory Franchisee will collect all CAFs from RDs and will provide them SIM as well as Recharge Coupon/C-TOPUP.
- e) The Franchisee shall be responsible for all the issues of RD inter-alia, replacement of defective stock, payments, compliances, reconciliation of account with RD, physical



verification of stock/ regular meeting with RD, Taxes aspects, payment of commission etc.

**6. Responsibilities of BSNL:** If Territory Franchisee does not serve the RDs properly then RDs will be served by BSNL directly. SSA Head will make suitable arrangement for material delivery to RDs in such case at his doorstep.

**7. Performance Monitoring:**

The Performance of the RDs shall be measured as follows:

Weightage for evaluating performance

Parameters	Weightage
<b>Type A Parameters</b>	
FRC / Plan Voucher	45%
RC	15%
POS	15%
<b>Type B Parameters</b>	
% of CAF forms submitted	15%
Percentage of recharge sales via C-TOPUP	10%
Total	100%
<b>Bench Mark Score</b>	<b>50%</b>

Note: Type A parameters in case RDs served by franchisees and Type A & B both in case RDs served By BSNL.

**8. Extension:** Based on performance, the SSA Head may extend agreement on year-to-year basis for a period of two years. The decision of BSNL shall be final in regard to the grant of extension.

**9. Exit Clause:** RD may exit by giving 60days notice and PBG shall be refunded once the pending dues if any are cleared.

**10. Dispute Resolution/ Arbitration:** Any question, dispute or differences arising out of or in connection with this agreement or Breach, termination or validity hereof, shall be first endeavoured to be settled through discussion or negotiations between the parties. If the dispute cannot be amicably settled either party, as soon as practicable, but not earlier than three months after a request to settle the dispute amicably has been made to the other party, give to the other party note in writing or existence of such question, dispute or difference, specifying the nature and the point at issue, and the same shall be finally settled by Arbitration conducted in SSA- \_\_\_\_\_ in accordance with The Arbitration and Conciliation Act 1996 any modifications or re-enactments thereto and relevant laws and regulations in force at that time in India. All such disputes and differences which may arise between the parties hereto as to the meaning, construction or effect of any of the terms and provisions of this agreement or as to the right or claim of either party under this agreement shall be referred to the sole arbitration of the SSA Head, \_\_\_\_\_ Telecom District of the BSNL company or his nominee including any officer of Bharat Sanchar Nigam Limited (BSNL) nominated by him and the Franchisee / RD shall not raise any objection to such arbitration on the ground that the arbitrator is an officer of Bharat Sanchar Nigam Limited (BSNL) and as such is an interested party or that the Arbitrator so appointed has earlier dealt with the subject matter of this agreement. Any order / Directions / Awards of the Arbitrator shall be final and binding on both the parties. The arbitration proceedings shall take place in SSA \_\_\_\_\_ and will be governed by the provisions of The Arbitration and Conciliation Act 1996 or of any statutory amendment thereto or any re-enactment thereof for the time being in force. The Arbitrator so appointed shall pass a speaking award.

**11. Settlement off any sum of money due and payment to Franchisee, RD, under the agreement or otherwise shall be appropriated by BSNL and same shall be sett-off against any claim of BSNL for payment of sum of money arising out of this agreement of other agreement made by Franchisee/RD with BSNL.**

The Agreement includes the Annexure-D/ CM - S&D Policy and EOI dt. .... constitute entire agreement of the parties with respect to matters here in conditioned and all its terms & conditions are binding among the parties shall be signed by all parties. This agreement will be construed in interpretation applied, governed in accordance with the laws of India and at Court ..... has jurisdiction in respect of this agreement.

In witness whereof, the parties have caused this agreement to be executed and delivered by the duly authorized officers:

For and on behalf of the BSNL	Signature & Seal
Name _____	
Designation _____	
Address _____	

For and on behalf of the Franchisee	Signature & Seal
Name _____	
Executive Director / Prop. _____	
Address _____	
Telephone / Mobile Nos. _____	

For and on behalf of the Rural Distributor	Signature
Name _____	
Address _____	
Telephone / Mobile Nos. _____	

Name and Address of Witness	Sign of Witness

Dated at \_\_\_\_\_ on \_\_\_\_\_

## ANNEXURE – v

### Sharing of Discount/ Commission

**Table- I A (Two Tier) Franchisee – Retailer**

Sharing of franchisee Discount/ Commission among Franchisee → Retailers

Product	Franchisee	Retailers
New Connection (Prepaid/ Postpaid)	30%	70%
CAF Commission	70%	30%
Recharge / C-TOPUP	25%	75%

**Note-** As major share of CAF commission is given to franchisee as compared to retailers, The part of the penalty imposed by DOT for which franchisee is responsible shall be passed on to franchisee as being done now.

**Table- I B (Three Tier) Franchisee – RDs – Retailers**

Sharing of franchisee Discount/ Commission among Franchisee/ RDs/ Retailers

Product	Franchisee	RDs	Retailers
New Connection (Prepaid/ Postpaid)	15%	15%	70%
CAF Commission	50%	20%	30%
Recharge / C-TOPUP	10%	15%	75%

Wherever retailers are being served through ‘Rural Distributors (RDs)’, franchisee has to pass on 90% of Recharge / C-TOPUP of the franchisee commission/discount to rural distributors.

**Table- II (Two Tier) RDs – Retailers**

Sharing of franchisee Discount/ Commission among RDs/ Retailers

Product	RDs	Retailers
New Connection (Prepaid/ Postpaid)	15%	70%
CAF Commission	50%	30%
Recharge / C-TOPUP	15%	75%

**Table- III DSA**

Sharing of franchisee Discount/ Commission for DSA

Product	DSA
New Connection (Prepaid/ Postpaid)	70%
CAF Commission	50%
Recharge / C-TOPUP	75%